

88.1 **ARTICLE 4**
88.2 **CHARTER SCHOOLS**

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78.6 **CHARTER SCHOOLS**

S0978-3

88.3 Section 1. Minnesota Statutes 2012, section 124D.10, is amended to read:

88.4 **124D.10 CHARTER SCHOOLS.**

88.5 Subdivision 1. **Purposes.** (a) The primary purpose of this section is to:

88.6 ~~(1)~~ improve pupil learning and student achievement; Additional purposes include to:

88.7 ~~(2)~~ (1) increase learning opportunities for pupils;

88.8 ~~(3)~~ (2) encourage the use of different and innovative teaching methods;

88.9 ~~(4)~~ (3) measure learning outcomes and create different and innovative forms of
88.10 measuring outcomes;

88.11 ~~(5)~~ (4) establish new forms of accountability for schools; ~~and~~ or

88.12 ~~(6)~~ (5) create new professional opportunities for teachers, including the opportunity
88.13 to be responsible for the learning program at the school site.

88.14 (b) This section does not provide a means to keep open a school that a school board
88.15 decides to close. However, a school board may endorse or authorize the establishing of
88.16 a charter school to replace the school the board decided to close. Applicants seeking a
88.17 charter under this circumstance must demonstrate to the authorizer that the charter sought
88.18 is substantially different in purpose and program from the school the board closed and
88.19 that the proposed charter satisfies the requirements of this subdivision. If the school
88.20 board that closed the school authorizes the charter, it must document in its affidavit to the
88.21 commissioner that the charter is substantially different in program and purpose from
88.22 the school it closed.

88.23 An authorizer shall not approve an application submitted by a charter school
88.24 developer under subdivision 4, paragraph (a), if the application does not comply with this
88.25 subdivision. The commissioner shall not approve an affidavit submitted by an authorizer
88.26 under subdivision 4, paragraph (b), if the affidavit does not comply with this subdivision.

88.27 Subd. 2. **Applicability.** This section applies only to charter schools formed and
88.28 operated under this section.

88.29 Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this
88.30 subdivision have the meanings given them.

29.14 Section 1. Minnesota Statutes 2012, section 124D.10, is amended to read:

29.15 **124D.10 CHARTER SCHOOLS.**

29.16 Subdivision 1. **Purposes.** (a) The primary purpose of this section is to:

29.17 ~~(1)~~ improve pupil learning and student achievement; Additional purposes include to:

29.18 ~~(2)~~ (1) increase learning opportunities for pupils;

29.19 ~~(3)~~ (2) encourage the use of different and innovative teaching methods;

29.20 ~~(4)~~ (3) measure learning outcomes and create different and innovative forms of
29.21 measuring outcomes;

29.22 ~~(5)~~ (4) establish new forms of accountability for schools; ~~and~~ or

29.23 ~~(6)~~ (5) create new professional opportunities for teachers, including the opportunity
29.24 to be responsible for the learning program at the school site.

29.25 (b) This section does not provide a means to keep open a school that a school board
29.26 decides to close. However, a school board may endorse or authorize the establishing of
29.27 a charter school to replace the school the board decided to close. Applicants seeking a
29.28 charter under this circumstance must demonstrate to the authorizer that the charter sought
29.29 is substantially different in purpose and program from the school the board closed and
29.30 that the proposed charter satisfies the requirements of this subdivision. If the school
29.31 board that closed the school authorizes the charter, it must document in its affidavit to the
29.32 commissioner that the charter is substantially different in program and purpose from
29.33 the school it closed.

30.1 An authorizer shall not approve an application submitted by a charter school
30.2 developer under subdivision 4, paragraph (a), if the application does not comply with this
30.3 subdivision. The commissioner shall not approve an affidavit submitted by an authorizer
30.4 under subdivision 4, paragraph (b), if the affidavit does not comply with this subdivision.

30.5 Subd. 2. **Applicability.** This section applies only to charter schools formed and
30.6 operated under this section.

30.7 Subd. 3. **Authorizer.** (a) For purposes of this section, the terms defined in this
30.8 subdivision have the meanings given them.

88.31 "Application" to receive approval as an authorizer means the proposal an eligible
 88.32 authorizer submits to the commissioner under paragraph (c) before that authorizer is able
 88.33 to submit any affidavit to charter to a school.

88.34 "Application" under subdivision 4 means the charter school business plan a
 88.35 school developer submits to an authorizer for approval to establish a charter school that
 89.1 documents the school developer's mission statement, school purposes, program design,
 89.2 financial plan, governance and management structure, and background and experience,
 89.3 plus any other information the authorizer requests. The application also shall include a
 89.4 "statement of assurances" of legal compliance prescribed by the commissioner.

89.5 "Affidavit" means a written statement the authorizer submits to the commissioner
 89.6 for approval to establish a charter school under subdivision 4 attesting to its review and
 89.7 approval process before chartering a school.

89.8 (b) The following organizations may authorize one or more charter schools:

89.9 (1) a school board, intermediate school district school board, or education district
 89.10 organized under sections 123A.15 to 123A.19;

89.11 (2) a charitable organization under section 501(c)(3) of the Internal Revenue Code
 89.12 of 1986, excluding a nonpublic sectarian or religious institution; any person other than a
 89.13 natural person that directly or indirectly, through one or more intermediaries, controls,
 89.14 is controlled by, or is under common control with the nonpublic sectarian or religious
 89.15 institution; and any other charitable organization under this clause that in the federal IRS
 89.16 Form 1023, Part IV, describes activities indicating a religious purpose, that:

89.17 (i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on
 89.18 Foundations;

89.19 (ii) is registered with the attorney general's office; and

89.20 (iii) is incorporated in the state of Minnesota and has been operating continuously
 89.21 for at least five years but does not operate a charter school;

89.22 (3) a Minnesota private college, notwithstanding clause (2), that grants two- or
 89.23 four-year degrees and is registered with the Minnesota Office of Higher Education under
 89.24 chapter 136A; community college, state university, or technical college governed by the
 89.25 Board of Trustees of the Minnesota State Colleges and Universities; or the University
 89.26 of Minnesota;

89.27 (4) a nonprofit corporation subject to chapter 317A, described in section 317A.905,
 89.28 and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code
 89.29 of 1986, may authorize one or more charter schools if the charter school has operated
 89.30 for at least three years under a different authorizer and if the nonprofit corporation has
 89.31 existed for at least 25 years; or

30.9 "Application" to receive approval as an authorizer means the proposal an eligible
 30.10 authorizer submits to the commissioner under paragraph (c) before that authorizer is able
 30.11 to submit any affidavit to charter to a school.

30.12 "Application" under subdivision 4 means the charter school business plan a
 30.13 school developer submits to an authorizer for approval to establish a charter school that
 30.14 documents the school developer's mission statement, school purposes, program design,
 30.15 financial plan, governance and management structure, and background and experience,
 30.16 plus any other information the authorizer requests. The application also shall include a
 30.17 "statement of assurances" of legal compliance prescribed by the commissioner.

30.18 "Affidavit" means a written statement the authorizer submits to the commissioner
 30.19 for approval to establish a charter school under subdivision 4 attesting to its review and
 30.20 approval process before chartering a school.

30.21 (b) The following organizations may authorize one or more charter schools:

30.22 (1) a school board, intermediate school district school board, or education district
 30.23 organized under sections 123A.15 to 123A.19;

30.24 (2) a charitable organization under section 501(c)(3) of the Internal Revenue Code
 30.25 of 1986, excluding a nonpublic sectarian or religious institution; any person other than a
 30.26 natural person that directly or indirectly, through one or more intermediaries, controls,
 30.27 is controlled by, or is under common control with the nonpublic sectarian or religious
 30.28 institution; and any other charitable organization under this clause that in the federal IRS
 30.29 Form 1023, Part IV, describes activities indicating a religious purpose, that:

30.30 (i) is a member of the Minnesota Council of Nonprofits or the Minnesota Council on
 30.31 Foundations;

30.32 (ii) is registered with the attorney general's office; and

30.33 (iii) is incorporated in the state of Minnesota and has been operating continuously
 30.34 for at least five years but does not operate a charter school;

30.35 (3) a Minnesota private college, notwithstanding clause (2), that grants two- or
 30.36 four-year degrees and is registered with the Minnesota Office of Higher Education under
 31.1 chapter 136A; community college, state university, or technical college governed by the
 31.2 Board of Trustees of the Minnesota State Colleges and Universities; or the University
 31.3 of Minnesota;

31.4 (4) a nonprofit corporation subject to chapter 317A, described in section 317A.905,
 31.5 and exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code
 31.6 of 1986, may authorize one or more charter schools if the charter school has operated
 31.7 for at least three years under a different authorizer and if the nonprofit corporation has
 31.8 existed for at least 25 years; or

89.32 (5) single-purpose authorizers that are charitable, nonsectarian organizations formed
 89.33 under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the
 89.34 state of Minnesota under chapter 317A as a corporation with no members whose sole
 89.35 purpose is to charter schools. Eligible organizations interested in being approved as an
 89.36 authorizer under this paragraph must submit a proposal to the commissioner that includes
 90.1 the provisions of paragraph (c) and a five-year financial plan. Such authorizers shall
 90.2 consider and approve charter school applications using the criteria provided in subdivision
 90.3 4 and shall not limit the applications it solicits, considers, or approves to any single
 90.4 curriculum, learning program, or method.

90.5 (c) An eligible authorizer under this subdivision must apply to the commissioner for
 90.6 approval as an authorizer before submitting any affidavit to the commissioner to charter
 90.7 a school. The application for approval as a charter school authorizer must demonstrate
 90.8 the applicant's ability to implement the procedures and satisfy the criteria for chartering a
 90.9 school under this section. The commissioner must approve or disapprove an application
 90.10 within 45 business days of the application deadline. If the commissioner disapproves
 90.11 the application, the commissioner must notify the applicant of the specific deficiencies
 90.12 in writing and the applicant then has 20 business days to address the deficiencies to the
 90.13 commissioner's satisfaction. After the 20 business days expire, the commissioner has 15
 90.14 business days to make a final decision to approve or disapprove the application. Failing to
 90.15 address the deficiencies to the commissioner's satisfaction makes an applicant ineligible to
 90.16 be an authorizer. The commissioner, in establishing criteria for approval, must consider
 90.17 the applicant's:

90.18 (1) capacity and infrastructure;

90.19 (2) application criteria and process;

90.20 (3) contracting process;

90.21 (4) ongoing oversight and evaluation processes; and

90.22 (5) renewal criteria and processes.

90.23 (d) An applicant must include in its application to the commissioner to be an
 90.24 approved authorizer at least the following:

90.25 (1) how chartering schools is a way for the organization to carry out its mission;

90.26 (2) a description of the capacity of the organization to serve as an authorizer,
 90.27 including the personnel who will perform the authorizing duties, their qualifications, the
 90.28 amount of time they will be assigned to this responsibility, and the financial resources
 90.29 allocated by the organization to this responsibility;

90.30 (3) a description of the application and review process the authorizer will use to
 90.31 make decisions regarding the granting of charters;

31.9 (5) single-purpose authorizers that are charitable, nonsectarian organizations formed
 31.10 under section 501(c)(3) of the Internal Revenue Code of 1986 and incorporated in the state
 31.11 of Minnesota whose sole purpose is to charter schools. Eligible organizations interested
 31.12 in being approved as an authorizer under this paragraph must submit a proposal to the
 31.13 commissioner that includes the provisions of paragraph (c) and a five-year financial plan.
 31.14 Such authorizers shall consider and approve charter school applications using the criteria
 31.15 provided in subdivision 4 and shall not limit the applications it solicits, considers, or
 31.16 approves to any single curriculum, learning program, or method.

31.17 (c) An eligible authorizer under this subdivision must apply to the commissioner for
 31.18 approval as an authorizer before submitting any affidavit to the commissioner to charter
 31.19 a school. The application for approval as a charter school authorizer must demonstrate
 31.20 the applicant's ability to implement the procedures and satisfy the criteria for chartering a
 31.21 school under this section. The commissioner must approve or disapprove an application
 31.22 within 45 business days of the application deadline. If the commissioner disapproves
 31.23 the application, the commissioner must notify the applicant of the specific deficiencies
 31.24 in writing and the applicant then has 20 business days to address the deficiencies to the
 31.25 commissioner's satisfaction. After the 20 business days expire, the commissioner has 15
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 31.29 the applicant's:

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 31.36 approved authorizer at least the following:

32.1 (1) how chartering schools is a way for the organization to carry out its mission;

32.2 (2) a description of the capacity of the organization to serve as an authorizer,
 32.3 including the personnel who will perform the authorizing duties, their qualifications, the
 32.4 amount of time they will be assigned to this responsibility, and the financial resources
 32.5 allocated by the organization to this responsibility;

32.6 (3) a description of the application and review process the authorizer will use to
 32.7 make decisions regarding the granting of charters;

90.32 (4) a description of the type of contract it will arrange with the schools it charters
 90.33 that meets the provisions of subdivision 6;

90.34 (5) the process to be used for providing ongoing oversight of the school consistent
 90.35 with the contract expectations specified in clause (4) that assures that the schools chartered
 90.36 are complying with both the provisions of applicable law and rules, and with the contract;

91.1 (6) a description of the criteria and process the authorizer will use to grant expanded
 91.2 applications under subdivision 4, paragraph (j);

91.3 (7) the process for making decisions regarding the renewal or termination of
 91.4 the school's charter based on evidence that demonstrates the academic, organizational,
 91.5 and financial competency of the school, including its success in increasing student
 91.6 achievement and meeting the goals of the charter school agreement; and

91.7 (8) an assurance specifying that the organization is committed to serving as an
 91.8 authorizer for the full five-year term.

91.9 (e) A disapproved applicant under this section may resubmit an application during a
 91.10 future application period.

91.11 (f) If the governing board of an approved authorizer votes to withdraw as an
 91.12 approved authorizer for a reason unrelated to any cause under subdivision 23, the
 91.13 authorizer must notify all its chartered schools and the commissioner in writing by July
 91.14 15 of its intent to withdraw as an authorizer on June 30 in the next calendar year. The
 91.15 commissioner may approve the transfer of a charter school to a new authorizer under this
 91.16 paragraph after the new authorizer submits an affidavit to the commissioner.

91.17 (g) The authorizer must participate in department-approved training.

91.18 (h) ~~An authorizer that chartered a school before August 1, 2009, must apply by~~
 91.19 ~~June 30, 2012, to the commissioner for approval, under paragraph (e), to continue as an~~
 91.20 ~~authorizer under this section. For purposes of this paragraph, an authorizer that fails to~~
 91.21 ~~submit a timely application is ineligible to charter a school.~~

32.8 (4) a description of the type of contract it will arrange with the schools it charters
 32.9 that meets the provisions of subdivision 6;

32.10 (5) the process to be used for providing ongoing oversight of the school consistent
 32.11 with the contract expectations specified in clause (4) that assures that the schools chartered
 32.12 are complying with both the provisions of applicable law and rules, and with the contract;

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 32.14 applications under subdivision 4, paragraph (j);

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 32.16 the school's charter based on evidence that demonstrates the academic, organizational,
 32.17 and financial competency of the school, including its success in increasing student
 32.18 achievement and meeting the goals of the charter school agreement; and

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 32.27 commissioner may approve the transfer of a charter school to a new authorizer under this
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 32.32 ~~authorizer under this section. For purposes of this paragraph, an authorizer that fails to~~
 32.33 ~~submit a timely application is ineligible to charter a school.~~

91.22 ~~(j)~~ **(h)** The commissioner shall review an authorizer's performance every five years
 91.23 in a manner and form determined by the commissioner and may review an authorizer's
 91.24 performance more frequently at the commissioner's own initiative or at the request of a
 91.25 charter school operator, charter school board member, or other interested party. The
 91.26 commissioner, after completing the review, shall transmit a report with findings to the
 91.27 authorizer. If, consistent with this section, the commissioner finds that an authorizer has
 91.28 not fulfilled the requirements of this section, the commissioner may subject the authorizer
 91.29 to corrective action, which may include terminating the contract with the charter school
 91.30 board of directors of a school it chartered. The commissioner must notify the authorizer
 91.31 in writing of any findings that may subject the authorizer to corrective action and
 91.32 the authorizer then has 15 business days to request an informal hearing before the
 91.33 commissioner takes corrective action. If the commissioner terminates a contract between
 91.34 an authorizer and a charter school under this paragraph, the commissioner may assist the
 91.35 charter school in acquiring a new authorizer.

92.1 ~~(j)~~ **(i)** The commissioner may at any time take corrective action against an authorizer,
 92.2 including terminating an authorizer's ability to charter a school for:

92.3 (1) failing to demonstrate the criteria under paragraph (c) under which the
 92.4 commissioner approved the authorizer;

92.5 (2) violating a term of the chartering contract between the authorizer and the charter
 92.6 school board of directors;

92.7 (3) unsatisfactory performance as an approved authorizer; or

92.8 (4) any good cause shown that provides the commissioner a legally sufficient reason
 92.9 to take corrective action against an authorizer.

92.10 Subd. 4. **Formation of school.** (a) An authorizer, after receiving an application from
 92.11 a school developer, may charter a licensed teacher under section 122A.18, subdivision
 92.12 1, or a group of individuals that includes one or more licensed teachers under section
 92.13 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the
 92.14 authorizer's affidavit under paragraph (b). The school must be organized and operated as a
 92.15 nonprofit corporation under chapter 317A and the provisions under the applicable chapter
 92.16 shall apply to the school except as provided in this section.

92.17 Notwithstanding sections 465.717 and 465.719, a school district, subject to this
 92.18 section and section 124D.11, may create a corporation for the purpose of establishing a
 92.19 charter school.

32.34 ~~(j)~~ **(h)** The commissioner shall review an authorizer's performance every five years
 32.35 in a manner and form determined by the commissioner and may review an authorizer's
 32.36 performance more frequently at the commissioner's own initiative or at the request of a
 33.1 charter school operator, charter school board member, or other interested party. The
 33.2 commissioner, after completing the review, shall transmit a report with findings to the
 33.3 authorizer. If, consistent with this section, the commissioner finds that an authorizer has
 33.4 not fulfilled the requirements of this section, the commissioner may subject the authorizer
 33.5 to corrective action, which may include terminating the contract with the charter school
 33.6 board of directors of a school it chartered. The commissioner must notify the authorizer
 33.7 in writing of any findings that may subject the authorizer to corrective action and
 33.8 the authorizer then has 15 business days to request an informal hearing before the
 33.9 commissioner takes corrective action. If the commissioner terminates a contract between
 33.10 an authorizer and a charter school under this paragraph, the commissioner may assist the
 33.11 charter school in acquiring a new authorizer.

33.12 ~~(j)~~ **(i)** The commissioner may at any time take corrective action against an authorizer,
 33.13 including terminating an authorizer's ability to charter a school for:

33.14 (1) failing to demonstrate the criteria under paragraph (c) under which the
 33.15 commissioner approved the authorizer;

33.16 (2) violating a term of the chartering contract between the authorizer and the charter
 33.17 school board of directors;

33.18 (3) unsatisfactory performance as an approved authorizer; or

33.19 (4) any good cause shown that provides the commissioner a legally sufficient reason
 33.20 to take corrective action against an authorizer.

33.21 Subd. 4. **Formation of school.** (a) An authorizer, after receiving an application from
 33.22 a school developer, may charter a licensed teacher under section 122A.18, subdivision
 33.23 1, or a group of individuals that includes one or more licensed teachers under section
 33.24 122A.18, subdivision 1, to operate a school subject to the commissioner's approval of the
 33.25 authorizer's affidavit under paragraph (b). The school must be organized and operated as a
 33.26 nonprofit corporation under chapter 317A and the provisions under the applicable chapter
 33.27 shall apply to the school except as provided in this section.

33.28 Notwithstanding sections 465.717 and 465.719, a school district, subject to this
 33.29 section and section 124D.11, may create a corporation for the purpose of establishing a
 33.30 charter school.

92.20 (b) Before the operators may establish and operate a school, the authorizer must file
 92.21 an affidavit with the commissioner stating its intent to charter a school. An authorizer
 92.22 must file a separate affidavit for each school it intends to charter. The affidavit must state
 92.23 the terms and conditions under which the authorizer would charter a school and how the
 92.24 authorizer intends to oversee the fiscal and student performance of the charter school and to
 92.25 comply with the terms of the written contract between the authorizer and the charter school
 92.26 board of directors under subdivision 6. The commissioner must approve or disapprove the
 92.27 authorizer's affidavit within 60 business days of receipt of the affidavit. If the commissioner
 92.28 disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies
 92.29 in the affidavit and the authorizer then has 20 business days to address the deficiencies.
 92.30 If the authorizer does not address deficiencies to the commissioner's satisfaction, the
 92.31 commissioner's disapproval is final. Failure to obtain commissioner approval precludes an
 92.32 authorizer from chartering the school that is the subject of this affidavit.

92.33 (c) The authorizer may prevent an approved charter school from opening for
 92.34 operation if, among other grounds, the charter school violates this section or does not meet
 92.35 the ready-to-open standards that are part of the authorizer's oversight and evaluation
 92.36 process or are stipulated in the charter school contract.

93.1 (d) The operators authorized to organize and operate a school, before entering into
 93.2 a contract or other agreement for professional or other services, goods, or facilities,
 93.3 must incorporate as a nonprofit corporation under chapter 317A and must establish a
 93.4 board of directors composed of at least five members who are not related parties until a
 93.5 timely election for members of the ongoing charter school board of directors is held
 93.6 according to the school's articles and bylaws under paragraph (f). A charter school board
 93.7 of directors must be composed of at least five members who are not related parties.
 93.8 Staff members employed at the school, including teachers providing instruction under a
 93.9 contract with a cooperative, ~~members of the board of directors,~~ and all parents or legal
 93.10 guardians of children enrolled in the school are the voters eligible to elect the members
 93.11 of the school's board of directors. A charter school must notify eligible voters of the
 93.12 school board election dates at least 30 days before the election. Board of director meetings
 93.13 must comply with chapter 13D.

33.31 (b) Before the operators may establish and operate a school, the authorizer must file
 33.32 an affidavit with the commissioner stating its intent to charter a school. An authorizer
 33.33 must file a separate affidavit for each school it intends to charter. The affidavit must state
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 33.35 authorizer intends to oversee the fiscal and student performance of the charter school and to
 33.36 comply with the terms of the written contract between the authorizer and the charter school
 34.1 board of directors under subdivision 6. The commissioner must approve or disapprove the
 34.2 authorizer's affidavit within 60 business days of receipt of the affidavit. If the commissioner
 34.3 disapproves the affidavit, the commissioner shall notify the authorizer of the deficiencies
 34.4 in the affidavit and the authorizer then has 20 business days to address the deficiencies.
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 34.6 commissioner's disapproval is final. Failure to obtain commissioner approval precludes an
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 34.9 operation if, among other grounds, the charter school violates this section or does not meet
 34.10 the ready-to-open standards that are part of the authorizer's oversight and evaluation
 34.11 process or are stipulated in the charter school contract.

34.12 (d) The operators authorized to organize and operate a school, before entering into a
 34.13 contract or other agreement for professional or other services, goods, or facilities, must
 34.14 incorporate as a nonprofit corporation under chapter 317A and must establish a board of
 34.15 directors composed of at least five members who are not related parties until a timely
 34.16 election for members of the ongoing charter school board of directors is held according to
 34.17 the school's articles and bylaws under paragraph (f). A charter school board of directors
 34.18 must be composed of at least five members who are not related parties. Staff members
 34.19 employed at the school, including teachers providing instruction under a contract with a
 34.20 cooperative, and all parents or legal guardians of children enrolled in the school are the
 34.21 voters eligible to elect the members of the school's board of directors. A charter school
 34.22 must notify eligible voters of the school board election dates at least 30 days before the
 34.23 election. Board of director meetings must comply with chapter 13D.

93.14 (e) A charter school shall publish and maintain on the school's official Web site: (1)
 93.15 the minutes of meetings of the board of directors, and of members and committees having
 93.16 any board-delegated authority, for at least one calendar year from the date of publication;
 93.17 (2) directory information for members of the board of directors and committees having
 93.18 board-delegated authority; and (3) identifying and contact information for the school's
 93.19 authorizer. Identifying and contact information for the school's authorizer must be
 93.20 included in other school materials made available to the public. Upon request of an
 93.21 individual, the charter school must also make available in a timely fashion financial
 93.22 statements showing all operations and transactions affecting income, surplus, and deficit
 93.23 during the school's last annual accounting period; and a balance sheet summarizing assets
 93.24 and liabilities on the closing date of the accounting period. A charter school also must post
 93.25 on its official Web site information identifying its authorizer and indicate how to contact
 93.26 that authorizer and include that same information about its authorizer in other school
 93.27 materials that it makes available to the public.

93.28 (f) Every charter school board member shall attend ~~ongoing annual training~~
 93.29 throughout the member's term on the board ~~governance, including~~. All new board
 93.30 members shall attend initial training on the board's role and responsibilities, employment
 93.31 policies and practices, and financial management. A new board member who does not
 93.32 begin the required initial training within six months after being seated and complete that
 93.33 training within 12 months of being seated on the board is automatically ineligible to
 93.34 continue to serve as a board member. The school shall include in its annual report the
 93.35 training attended by each board member during the previous year.

94.1 (g) The ongoing board must be elected before the school completes its third year of
 94.2 operation. Board elections must be held during the school year but may not be conducted
 94.3 on days when the school is closed for holidays, breaks, or vacations. The charter school
 94.4 board of directors shall be composed of at least five nonrelated members and include: (i)
 94.5 at least one licensed teacher employed as a teacher at the school or ~~a licensed teacher~~
 94.6 providing instruction under contract between the charter school and a cooperative; (ii) ~~the~~
 94.7 at least one parent or legal guardian of a student enrolled in the charter school who is not an
 94.8 employee of the charter school; and (iii) ~~an~~ at least one interested community member who
 94.9 resides in Minnesota and is not employed by the charter school and does not have a child
 94.10 enrolled in the school. The board ~~may be a teacher majority board composed~~ may include
 94.11 a majority of teachers, parents, or community members as described in this paragraph or it
 94.12 may have no clear majority. The chief financial officer and the chief administrator may only
 94.13 serve as ex-officio nonvoting board members ~~and may not serve as a voting member of the~~
 94.14 board. No charter school employees shall not serve on the board unless other than teachers
 94.15 under item (i) applies. Contractors providing facilities, goods, or services to a charter
 94.16 school shall not serve on the board of directors of the charter school. Board bylaws shall
 94.17 outline the process and procedures for changing the board's governance ~~model~~ structure,
 94.18 consistent with chapter 317A. A board may change its governance ~~model~~ structure only:

34.24 (e) A charter school shall publish and maintain on the school's official Web site: (1)
 34.25 the minutes of meetings of the board of directors, and of members and committees having
 34.26 any board-delegated authority, for at least one calendar year from the date of publication;
 34.27 (2) directory information for members of the board of directors and committees having
 34.28 board-delegated authority; and (3) identifying and contact information for the school's
 34.29 authorizer. Identifying and contact information for the school's authorizer must be
 34.30 included in other school materials made available to the public. Upon request of an
 34.31 individual, the charter school must also make available in a timely fashion financial
 34.32 statements showing all operations and transactions affecting income, surplus, and deficit
 34.33 during the school's last annual accounting period; and a balance sheet summarizing assets
 34.34 and liabilities on the closing date of the accounting period. A charter school also must post
 34.35 on its official Web site information identifying its authorizer and indicate how to contact
 35.1 that authorizer and include that same information about its authorizer in other school
 35.2 materials that it makes available to the public.

35.3 (f) Every charter school board member shall attend ongoing training throughout
 35.4 the member's term on board governance, including training on the board's role and
 35.5 responsibilities, employment policies and practices, and financial management. A board
 35.6 member who does not begin the required initial training within six months after being
 35.7 seated and complete that training within 12 months of being seated on the board is
 35.8 ineligible to continue to serve as a board member. The school shall include in its annual
 35.9 report the training attended by each board member during the previous year.

35.10 (g) The ongoing board must be elected before the school completes its third year of
 35.11 operation. Board elections must be held during the school year but may not be conducted
 35.12 on days when the school is closed for holidays, breaks, or vacations. The charter school
 35.13 board of directors shall be composed of at least five nonrelated members and include: (i)
 35.14 at least one licensed teacher employed as a teacher at the school or ~~a licensed teacher~~
 35.15 providing instruction under contract between the charter school and a cooperative; (ii) the
 35.16 parent or legal guardian of a student enrolled in the charter school who is not an employee
 35.17 of the charter school; and (iii) an interested community member who is not employed by
 35.18 the charter school and does not have a child enrolled in the school. The board may be
 35.19 a teacher majority board composed of teachers described in this paragraph. The chief
 35.20 financial officer and the chief administrator may only serve as ex-officio nonvoting board
 35.21 members ~~and may not serve as a voting member of the board~~. Charter school employees
 35.22 shall not serve on the board unless item (i) applies. Contractors providing facilities, goods,
 35.23 or services to a charter school shall not serve on the board of directors of the charter school.
 35.24 Board bylaws shall outline the process and procedures for changing the board's governance
 35.25 model, consistent with chapter 317A. A board may change its governance model only:

94.19 (1) by a majority vote of the board of directors and a majority vote of the licensed
 94.20 teachers employed by the school as teachers, including licensed teachers providing
 94.21 instruction under a contract between the school and a cooperative; and

94.22 (2) with the authorizer's approval.

94.23 Any change in board governance structure must conform with the composition of
 94.24 the board structure established under this paragraph.

94.25 (h) The granting or renewal of a charter by an authorizer must not be conditioned
 94.26 upon the bargaining unit status of the employees of the school.

94.27 (i) The granting or renewal of a charter school by an authorizer must not be
 94.28 contingent on the charter school being required to contract, lease, or purchase services
 94.29 or facilities from the authorizer or to enter into a contract with a corporation, contractor,
 94.30 or individual with which the authorizer has a financial relationship or arrangement. Any
 94.31 potential contract, lease, or purchase of service from an authorizer must be disclosed to
 94.32 the commissioner, accepted through an open bidding process, and be a separate contract
 94.33 from the charter contract. The school must document the open bidding process it used in
 94.34 awarding the contract. The authorizer must document that the bid terms were competitive
 94.35 in relation to the market and that the authorizer makes the same terms available to
 94.36 schools that it does not authorize. An authorizer must not enter into a contract to provide
 95.1 management and financial services for a school that it authorizes, unless the school
 95.2 documents that it received at least two competitive bids.

95.3 (j) An authorizer may permit the board of directors of a charter school to expand
 95.4 the operation of the charter school to additional sites or ~~to add additional~~ grades at the
 95.5 school beyond those described in the authorizer's original affidavit as approved by
 95.6 the commissioner only after submitting a supplemental affidavit for approval to the
 95.7 commissioner in a form and manner prescribed by the commissioner. The supplemental
 95.8 affidavit must document that:

95.9 (1) the proposed expansion plan demonstrates need and projected enrollment;

95.10 (2) the expansion is warranted, at a minimum, by longitudinal data demonstrating
 95.11 students' improved academic performance and growth on statewide assessments under
 95.12 chapter 120B;

95.13 (3) the charter school is financially sound and the financing it needs to implement
 95.14 the proposed expansion exists; and

95.15 (4) the charter school has the governance structure and management capacity to
 95.16 carry out its expansion.

35.26 (1) by a majority vote of the board of directors and the licensed teachers employed
 35.27 by the school, including licensed teachers providing instruction under a contract between
 35.28 the school and a cooperative; and

35.29 (2) with the authorizer's approval.

35.30 Any change in board governance must conform with the board structure established
 35.31 under this paragraph.

35.32 (h) The granting or renewal of a charter by an authorizer must not be conditioned
 35.33 upon the bargaining unit status of the employees of the school.

35.34 (i) The granting or renewal of a charter school by an authorizer must not be
 35.35 contingent on the charter school being required to contract, lease, or purchase services
 35.36 from the authorizer. Any potential contract, lease, or purchase of service from an
 36.1 authorizer must be disclosed to the commissioner, accepted through an open bidding
 36.2 process, and be a separate contract from the charter contract. The school must document
 36.3 the open bidding process. An authorizer must not enter into a contract to provide
 36.4 management and financial services for a school that it authorizes, unless the school
 36.5 documents that it received at least two competitive bids.

36.6 (j) An authorizer may permit the board of directors of a charter school to expand
 36.7 the operation of the charter school to additional sites or ~~to add additional~~ grades at the
 36.8 school beyond those described in the authorizer's original affidavit as approved by
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 36.10 commissioner in a form and manner prescribed by the commissioner. The supplemental
 36.11 affidavit must document that:

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 36.14 students' improved academic performance and growth on statewide assessments under
 36.15 chapter 120B;

36.16 (3) the charter school is financially sound and the financing it needs to implement
 36.17 the proposed expansion exists; and

36.18 (4) the charter school has the governance structure and management capacity to
 36.19 carry out its expansion.

95.17 (k) The commissioner shall have 30 business days to review and comment on the
 95.18 supplemental affidavit. The commissioner shall notify the authorizer of any deficiencies in
 95.19 the supplemental affidavit and the authorizer then has 20 business days to address, to the
 95.20 commissioner's satisfaction, any deficiencies in the supplemental affidavit. The school
 95.21 may not expand grades or add sites until the commissioner has approved the supplemental
 95.22 affidavit. The commissioner's approval or disapproval of a supplemental affidavit is final.

95.23 Subd. 4a. **Conflict of interest.** (a) An individual is prohibited from serving as a
 95.24 member of the charter school board of directors if the individual, an immediate family
 95.25 member, or the individual's partner is an a full or part owner, employee or agent of, or
 95.26 a contractor principal with a for-profit or nonprofit entity or individual independent
 95.27 contractor with whom the charter school contracts, directly or indirectly, for professional
 95.28 services, goods, or facilities. An individual is prohibited from serving as a board member
 95.29 if an immediate family member is an employee of the school or is an individual with
 95.30 whom the school contracts, directly or indirectly, through full or part ownership, for
 95.31 professional services, goods, or facilities. A violation of this prohibition renders a contract
 95.32 voidable at the option of the commissioner or the charter school board of directors. A
 95.33 member of a charter school board of directors who violates this prohibition is individually
 95.34 liable to the charter school for any damage caused by the violation.

96.1 (b) No member of the board of directors, employee, officer, or agent of a charter
 96.2 school shall participate in selecting, awarding, or administering a contract if a conflict
 96.3 of interest exists. A conflict exists when:

96.4 (1) the board member, employee, officer, or agent;

96.5 (2) the immediate family of the board member, employee, officer, or agent;

96.6 (3) the partner of the board member, employee, officer, or agent; or

96.7 (4) an organization that employs, or is about to employ any individual in clauses
 96.8 (1) to (3),

96.9 has a financial or other interest in the entity with which the charter school is contracting.

96.10 A violation of this prohibition renders the contract void.

96.11 (c) Any employee, agent, or board member of the authorizer who participates
 96.12 in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or
 96.13 nonrenewal process or decision is ineligible to serve on the board of directors of a school
 96.14 chartered by that authorizer.

96.15 (d) An individual may serve as a member of the board of directors if no conflict of
 96.16 interest under paragraph (a) exists.

36.20 (k) The commissioner shall have 30 business days to review and comment on the
 36.21 supplemental affidavit. The commissioner shall notify the authorizer of any deficiencies in
 36.22 the supplemental affidavit and the authorizer then has 20 business days to address, to the
 36.23 commissioner's satisfaction, any deficiencies in the supplemental affidavit. The school
 36.24 may not expand grades or add sites until the commissioner has approved the supplemental
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36.26 Subd. 4a. **Conflict of interest.** (a) An individual is prohibited from serving as a
 36.27 member of the charter school board of directors if the individual, an immediate family
 36.28 member, or the individual's partner is an owner, employee or agent of, or a contractor with a
 36.29 for-profit or nonprofit entity or individual with whom the charter school contracts, directly
 36.30 or indirectly, for professional services, goods, or facilities. A violation of this prohibition
 36.31 renders a contract voidable at the option of the commissioner or the charter school board
 36.32 of directors. A member of a charter school board of directors who violates this prohibition
 36.33 is individually liable to the charter school for any damage caused by the violation.

36.34 (b) No member of the board of directors, employee, officer, or agent of a charter
 36.35 school shall participate in selecting, awarding, or administering a contract if a conflict
 36.36 of interest exists. A conflict exists when:

37.1 (1) the board member, employee, officer, or agent;

37.2 (2) the immediate family of the board member, employee, officer, or agent;

37.3 (3) the partner of the board member, employee, officer, or agent; or

37.4 (4) an organization that employs, or is about to employ any individual in clauses
 37.5 (1) to (3),

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37.7 A violation of this prohibition renders the contract void.

37.8 (c) Any employee, agent, or board member of the authorizer who participates
 37.9 in the initial review, approval, ongoing oversight, evaluation, or the charter renewal or
 37.10 nonrenewal process or decision is ineligible to serve on the board of directors of a school
 37.11 chartered by that authorizer.

37.12 (d) An individual may serve as a member of the board of directors if no conflict of
 37.13 interest under paragraph (a) exists.

96.17 (e) The conflict of interest provisions under this subdivision do not apply to
 96.18 compensation paid to a teacher employed as a teacher by the charter school ~~who or a~~
 96.19 teacher who provides instructional services to the charter school through a cooperative
 96.20 formed under chapter 308A when the teacher also serves as a member of on the charter
 96.21 school board of directors.

96.22 ~~(f) The conflict of interest provisions under this subdivision do not apply to a teacher~~
 96.23 ~~who provides services to a charter school through a cooperative formed under chapter~~
 96.24 ~~308A when the teacher also serves on the charter school board of directors.~~

96.25 Subd. 5. **Conversion of existing schools.** A board of an independent or special
 96.26 school district may convert one or more of its existing schools to charter schools under
 96.27 this section if 60 percent of the full-time teachers at the school sign a petition seeking
 96.28 conversion. The conversion must occur at the beginning of an academic year.

96.29 Subd. 6. **Charter contract.** The authorization for a charter school must be in the
 96.30 form of a written contract signed by the authorizer and the board of directors of the charter
 96.31 school. The contract must be completed within 45 business days of the commissioner's
 96.32 approval of the authorizer's affidavit. The authorizer shall submit to the commissioner a
 96.33 copy of the signed charter contract within ten business days of its execution. The contract
 96.34 for a charter school must be in writing and contain at least the following:

96.35 (1) a declaration that the charter school will carry out the primary purpose in
 96.36 subdivision 1 and how the school will report its implementation of the primary purpose;

97.1 ~~(1)~~ (2) a declaration of the additional purposes in subdivision 1 that the school
 97.2 intends to carry out and how the school will report its implementation of those purposes;

97.3 ~~(2)~~ (3) a description of the school program and the specific academic and
 97.4 nonacademic outcomes that pupils must achieve;

97.5 ~~(3)~~ (4) a statement of admission policies and procedures;

97.6 ~~(4)~~ (5) a governance, management, and administration plan for the school;

97.7 ~~(5)~~ (6) signed agreements from charter school board members to comply with all
 97.8 federal and state laws governing organizational, programmatic, and financial requirements
 97.9 applicable to charter schools;

97.10 ~~(6)~~ (7) the criteria, processes, and procedures that the authorizer will use ~~for~~
 97.11 ~~ongoing oversight of operational, financial, and academic performance to monitor and~~
 97.12 evaluate the fiscal, operational, and academic performance consistent with subdivision
 97.13 15, paragraphs (a) and (b);

97.14 ~~(7)~~ (8) for contract renewal, the formal written performance evaluation of the school
 97.15 that is a prerequisite for reviewing a charter contract under subdivision 15;

97.16 ~~(8)~~ (9) types and amounts of insurance liability coverage to be obtained by the
 97.17 charter school, consistent with subdivision 8, paragraph (k);

37.14 (e) The conflict of interest provisions under this subdivision do not apply to
 37.15 compensation paid to a teacher employed as a teacher by the charter school ~~who or a~~
 37.16 teacher who provides instructional services to the charter school through a cooperative
 37.17 formed under chapter 308A when the teacher also serves as a member of on the charter
 37.18 school board of directors.

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 37.30 copy of the signed charter contract within ten business days of its execution. The contract
 37.31 for a charter school must be in writing and contain at least the following:

37.32 (1) a declaration that the charter school will carry out the primary purpose in
 37.33 subdivision 1 and how the school will report its implementation of the primary purpose;

37.34 ~~(1)~~ (2) a declaration of the any additional purposes in subdivision 1 that the school
 37.35 intends to carry out and how the school will report its implementation of those purposes;

38.1 ~~(2)~~ (3) a description of the school program and the specific academic and
 38.2 nonacademic outcomes that pupils must achieve;

38.3 ~~(3)~~ (4) a statement of admission policies and procedures;

38.4 ~~(4)~~ (5) a governance, management, and administration plan for the school;

38.5 ~~(5)~~ (6) signed agreements from charter school board members to comply with all
 38.6 federal and state laws governing organizational, programmatic, and financial requirements
 38.7 applicable to charter schools;

38.8 ~~(6)~~ (7) the criteria, processes, and procedures that the authorizer will use ~~for~~
 38.9 ~~ongoing oversight of operational, financial, and academic performance to monitor and~~
 38.10 evaluate the fiscal, operational, and academic performance consistent with subdivision
 38.11 15, paragraphs (a) and (b);

38.12 ~~(7)~~ (8) for contract renewal, the formal written performance evaluation of the school
 38.13 that is a prerequisite for reviewing a charter contract under subdivision 15;

38.14 ~~(8)~~ (9) types and amounts of insurance liability coverage to be obtained by the
 38.15 charter school, consistent with subdivision 8, paragraph (k);

97.18 ~~(9)~~ (10) consistent with subdivision 25, paragraph (d), a provision to indemnify and
 97.19 hold harmless the authorizer and its officers, agents, and employees from any suit, claim,
 97.20 or liability arising from any operation of the charter school, and the commissioner and
 97.21 department officers, agents, and employees notwithstanding section 3.736;

97.22 ~~(40)~~ (11) the term of the initial contract, which may be up to five years plus an
 97.23 additional preoperational planning year, and up to five years for a renewed contract or a
 97.24 contract with a new authorizer after a transfer of authorizers, if warranted by the school's
 97.25 academic, financial, and operational performance;

97.26 ~~(44)~~ (12) how the board of directors or the operators of the charter school will
 97.27 provide special instruction and services for children with a disability under sections
 97.28 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within
 97.29 which the charter school will operate to provide the special instruction and services to
 97.30 children with a disability;

97.31 ~~(12) the process and criteria the authorizer intends to use to monitor and evaluate the~~
 97.32 ~~fiscal and student performance of the charter school, consistent with subdivision 15; and~~

97.33 (13) the specific conditions for contract renewal, which identify performance under
 97.34 the primary purpose of subdivision 1 as the most important factor in determining contract
 97.35 renewal; and

98.1 ~~(13)~~ (14) the plan for an orderly closing of the school under chapter 317A, if
 98.2 whether the closure is a termination for cause, a voluntary termination, or a nonrenewal
 98.3 of the contract, ~~and~~ that includes establishing the responsibilities of the school board of
 98.4 directors and the authorizer and notifying the commissioner, authorizer, school district in
 98.5 which the charter school is located, and parents of enrolled students about the closure,
 98.6 the transfer of student records to students' resident districts, and procedures for closing
 98.7 financial operations.

98.8 Subd. 6a. **Audit report.** (a) The charter school must submit an audit report to the
 98.9 commissioner and its authorizer by December 31 each year.

98.10 (b) The charter school, with the assistance of the auditor conducting the audit,
 98.11 must include with the report, as supplemental information, a copy of all charter school
 98.12 agreements for corporate management services, including parent company or other
 98.13 administrative, financial, and staffing services. If the entity that provides the professional
 98.14 services to the charter school is exempt from taxation under section 501 of the Internal
 98.15 Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy
 98.16 of the annual return required under section 6033 of the Internal Revenue Code of 1986.

98.17 (c) A charter school independent audit report shall include audited financial data of
 98.18 an affiliated building corporation or other component unit.

38.16 ~~(9)~~ (10) consistent with subdivision 25, paragraph (d), a provision to indemnify and
 38.17 hold harmless the authorizer and its officers, agents, and employees from any suit, claim,
 38.18 or liability arising from any operation of the charter school, and the commissioner and
 38.19 department officers, agents, and employees notwithstanding section 3.736;

38.20 ~~(40)~~ (11) the term of the initial contract, which may be up to five years plus an
 38.21 additional preoperational planning year, and up to five years for a renewed contract or a
 38.22 contract with a new authorizer after a transfer of authorizers, if warranted by the school's
 38.23 academic, financial, and operational performance;

38.24 ~~(44)~~ (12) how the board of directors or the operators of the charter school will
 38.25 provide special instruction and services for children with a disability under sections
 38.26 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within
 38.27 which the charter school will operate to provide the special instruction and services to
 38.28 children with a disability;

38.29 ~~(12) the process and criteria the authorizer intends to use to monitor and evaluate the~~
 38.30 ~~fiscal and student performance of the charter school, consistent with subdivision 15; and~~

38.31 (13) the specific conditions for contract renewal, which identify performance under
 38.32 the primary purpose of subdivision 1 as the most important factor in determining contract
 38.33 renewal; and

38.34 ~~(13)~~ (14) the plan for an orderly closing of the school under chapter 317A, if
 38.35 whether the closure is a termination for cause, a voluntary termination, or a nonrenewal
 38.36 of the contract, ~~and~~ that includes establishing the responsibilities of the school board of
 39.1 directors and the authorizer and notifying the commissioner, authorizer, school district in
 39.2 which the charter school is located, and parents of enrolled students about the closure,
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 39.11 services to the charter school is exempt from taxation under section 501 of the Internal
 39.12 Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy
 39.13 of the annual return required under section 6033 of the Internal Revenue Code of 1986.

39.14 (c) A charter school independent audit report shall include audited financial data of
 39.15 an affiliated building corporation or other component unit.

98.19 ~~(e)~~ (d) If the audit report finds that a material weakness exists in the financial
 98.20 reporting systems of a charter school, the charter school must submit a written report to
 98.21 the commissioner explaining how the material weakness will be resolved. An auditor,
 98.22 as a condition of providing financial services to a charter school, must agree to make
 98.23 available information about a charter school's financial audit to the commissioner and
 98.24 authorizer upon request.

98.25 Subd. 7. **Public status; exemption from statutes and rules.** A charter school is
 98.26 a public school and is part of the state's system of public education. A charter school is
 98.27 exempt from all statutes and rules applicable to a school, school board, or school district
 98.28 unless a statute or rule is made specifically applicable to a charter school or is included
 98.29 in this section.

98.30 Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all
 98.31 federal, state, and local health and safety requirements applicable to school districts.

98.32 (b) A school must comply with statewide accountability requirements governing
 98.33 standards and assessments in chapter 120B.

98.34 (c) A school authorized by a school board may be located in any district, unless the
 98.35 school board of the district of the proposed location disapproves by written resolution.

99.1 (d) A charter school must be nonsectarian in its programs, admission policies,
 99.2 employment practices, and all other operations. An authorizer may not authorize a charter
 99.3 school or program that is affiliated with a nonpublic sectarian school or a religious
 99.4 institution. A charter school student must be released for religious instruction, consistent
 99.5 with section 120A.22, subdivision 12, clause (3).

99.6 (e) Charter schools must not be used as a method of providing education or
 99.7 generating revenue for students who are being home-schooled. This paragraph does not
 99.8 apply to shared time aid under section 126C.19.

99.9 (f) The primary focus of a charter school must be to provide a comprehensive
 99.10 program of instruction for at least one grade or age group from five through 18 years
 99.11 of age. Instruction may be provided to people younger than five years and older than
 99.12 18 years of age.

99.13 (g) A charter school may not charge tuition.

99.14 (h) A charter school is subject to and must comply with chapter 363A and section
 99.15 121A.04.

99.16 (i) A charter school is subject to and must comply with the Pupil Fair Dismissal
 99.17 Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections
 99.18 123B.34 to 123B.39.

39.16 ~~(e)~~ (d) If the audit report finds that a material weakness exists in the financial
 39.17 reporting systems of a charter school, the charter school must submit a written report to
 39.18 the commissioner explaining how the material weakness will be resolved. An auditor,
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 39.26 in this section.

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 39.32 school board of the district of the proposed location disapproves by written resolution.

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 39.34 employment practices, and all other operations. An authorizer may not authorize a charter
 39.35 school or program that is affiliated with a nonpublic sectarian school or a religious
 40.1 institution. A charter school student must be released for religious instruction, consistent
 40.2 with section 120A.22, subdivision 12, clause (3).

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 40.4 generating revenue for students who are being home-schooled. This paragraph does not
 40.5 apply to shared time aid under section 126C.19.

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 40.7 program of instruction for at least one grade or age group from five through 18 years
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 40.12 121A.04.

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 40.14 Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections
 40.15 123B.34 to 123B.39.

99.19 (j) A charter school is subject to the same financial audits, audit procedures, and
 99.20 audit requirements as a district, except as required under subdivision 6a. Audits must be
 99.21 conducted in compliance with generally accepted governmental auditing standards, the
 99.22 federal Single Audit Act, if applicable, and section 6.65. A charter school is subject
 99.23 to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04;
 99.24 118A.05; 118A.06; 471.38; 471.391; 471.392; and 471.425. The audit must comply with
 99.25 the requirements of sections 123B.75 to 123B.83, except to the extent deviations are
 99.26 necessary because of the program at the school. Deviations must be approved by the
 99.27 commissioner and authorizer. The Department of Education, state auditor, legislative
 99.28 auditor, or authorizer may conduct financial, program, or compliance audits. A charter
 99.29 school determined to be in statutory operating debt under sections 123B.81 to 123B.83
 99.30 must submit a plan under section 123B.81, subdivision 4.

99.31 (k) A charter school is a district for the purposes of tort liability under chapter 466.

99.32 (l) A charter school must comply with chapters 13 and 13D; and sections 120A.22,
 99.33 subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

99.34 (m) A charter school is subject to the Pledge of Allegiance requirement under
 99.35 section 121A.11, subdivision 3.

100.1 (n) A charter school offering online courses or programs must comply with section
 100.2 124D.095.

100.3 (o) A charter school and charter school board of directors are subject to chapter 181.

100.4 (p) A charter school must comply with section 120A.22, subdivision 7, governing
 100.5 the transfer of students' educational records and sections 138.163 and 138.17 governing
 100.6 the management of local records.

100.7 (q) A charter school that provides early childhood health and developmental
 100.8 screening must comply with sections 121A.16 to 121A.19.

100.9 (r) A charter school that provides school-sponsored youth athletic activities must
 100.10 comply with section 121A.38.

100.11 (s) A charter school is subject to and must comply with continuing truant notification
 100.12 under section 260A.03.

100.13 (t) A charter school must develop and implement a teacher evaluation and peer
 100.14 review process, consistent with section 122A.40, subdivision 8, paragraph (b), and
 100.15 subdivision 21, paragraph (b), of this section.

100.16 (u) A charter school is subject to and must comply with the same requirements as
 100.17 a school district under section 126C.101.

40.16 (j) A charter school is subject to the same financial audits, audit procedures, and
 40.17 audit requirements as a district, except as required under subdivision 6a. Audits must be
 40.18 conducted in compliance with generally accepted governmental auditing standards, the
 40.19 federal Single Audit Act, if applicable, and section 6.65. A charter school is subject
 40.20 to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04;
 40.21 118A.05; 118A.06; 471.38; 471.391; 471.392; and 471.425. The audit must comply with
 40.22 the requirements of sections 123B.75 to 123B.83, except to the extent deviations are
 40.23 necessary because of the program at the school. Deviations must be approved by the
 40.24 commissioner and authorizer. The Department of Education, state auditor, legislative
 40.25 auditor, or authorizer may conduct financial, program, or compliance audits. A charter
 40.26 school determined to be in statutory operating debt under sections 123B.81 to 123B.83
 40.27 must submit a plan under section 123B.81, subdivision 4.

40.28 (k) A charter school is a district for the purposes of tort liability under chapter 466.

40.29 (l) A charter school must comply with chapters 13 and 13D; and sections 120A.22,
 40.30 subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

40.31 (m) A charter school is subject to the Pledge of Allegiance requirement under
 40.32 section 121A.11, subdivision 3.

40.33 (n) A charter school offering online courses or programs must comply with section
 40.34 124D.095.

40.35 (o) A charter school and charter school board of directors are subject to chapter 181.

41.1 (p) A charter school must comply with section 120A.22, subdivision 7, governing
 41.2 the transfer of students' educational records and sections 138.163 and 138.17 governing
 41.3 the management of local records.

41.4 (q) A charter school that provides early childhood health and developmental
 41.5 screening must comply with sections 121A.16 to 121A.19.

41.6 (r) A charter school that provides school-sponsored youth athletic activities must
 41.7 comply with section 121A.38.

41.8 (s) A charter school is subject to and must comply with continuing truant notification
 41.9 under section 260A.03.

100.18 Subd. 8a. **Aid reduction.** The commissioner may reduce a charter school's state aid
100.19 under section 127A.42 or 127A.43 if the charter school board fails to correct a violation
100.20 under this section.

100.21 Subd. 8b. **Aid reduction for violations.** The commissioner may reduce a charter
100.22 school's state aid by an amount not to exceed 60 percent of the charter school's basic
100.23 revenue for the period of time that a violation of law occurs.

100.24 Subd. 9. **Admission requirements.** (a) A charter school may limit admission to:

100.25 (1) pupils within an age group or grade level;

100.26 (2) pupils who are eligible to participate in the graduation incentives program under
100.27 section 124D.68; or

100.28 (3) residents of a specific geographic area in which the school is located when the
100.29 majority of students served by the school are members of underserved populations.

100.30 (b) A charter school shall enroll an eligible pupil who submits a timely application,
100.31 unless the number of applications exceeds the capacity of a program, class, grade level, or
100.32 building. In this case, pupils must be accepted by lot. The charter school must develop
100.33 and publish, including on its Web site, a lottery policy and process that it must use when
100.34 accepting pupils by lot.

101.1 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
101.2 and to a foster child of that pupil's parents and may give preference for enrolling children
101.3 of the school's staff before accepting other pupils by lot.

101.4 (d) A person shall not be admitted to a charter school: (1) as a kindergarten pupil,
101.5 unless the pupil is at least five years of age on September 1 of the calendar year in which
101.6 the school year for which the pupil seeks admission commences; or (2) as a first grade
101.7 student, unless the pupil is at least six years of age on September 1 of the calendar year in
101.8 which the school year for which the pupil seeks admission commences or has completed
101.9 kindergarten; except that a charter school may establish and publish on its Web site a
101.10 policy for admission of selected pupils at an earlier age, consistent with the enrollment
101.11 process in paragraphs (b) and (c) and section 124D.02, subdivision 1.

101.12 (e) Except as permitted in paragraph (d), a charter school may not limit admission
101.13 to pupils on the basis of intellectual ability, measures of achievement or aptitude, or
101.14 athletic ability and may not establish any criteria or requirements for admission that are
101.15 inconsistent with this subdivision.

101.16 (f) The charter school shall not distribute any services or goods of value to students,
101.17 parents, or guardians as an inducement, term, or condition of enrolling a student in a
101.18 charter school.

41.10 Subd. 8a. **Aid reduction.** The commissioner may reduce a charter school's state aid
41.11 under section 127A.42 or 127A.43 if the charter school board fails to correct a violation
41.12 under this section.

41.13 Subd. 8b. **Aid reduction for violations.** The commissioner may reduce a charter
41.14 school's state aid by an amount not to exceed 60 percent of the charter school's basic
41.15 revenue for the period of time that a violation of law occurs.

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41.18 (2) pupils who are eligible to participate in the graduation incentives program under
41.19 section 124D.68; or

41.20 (3) residents of a specific geographic area in which the school is located when the
41.21 majority of students served by the school are members of underserved populations.

41.22 (b) A charter school shall enroll an eligible pupil who submits a timely application,
41.23 unless the number of applications exceeds the capacity of a program, class, grade level, or
41.24 building. In this case, pupils must be accepted by lot. The charter school must develop
41.25 and publish, including on its Web site, a lottery policy and process that it must use when
41.26 accepting pupils by lot.

41.27 (c) A charter school shall give enrollment preference to a sibling of an enrolled pupil
41.28 and to a foster child of that pupil's parents and may give preference for enrolling children
41.29 of the school's staff before accepting other pupils by lot.

41.30 (d) A person shall not be admitted to a charter school (1) as a kindergarten pupil,
41.31 unless the pupil is at least five years of age on September 1 of the calendar year in which
41.32 the school year for which the pupil seeks admission commences; or (2) as a first grade
41.33 student, unless the pupil is at least six years of age on September 1 of the calendar year in
41.34 which the school year for which the pupil seeks admission commences or has completed
41.35 kindergarten; except that a charter school may establish and publish on its Web site a
42.1 policy for admission of selected pupils at an earlier age, consistent with the enrollment
42.2 process in paragraphs (b) and (c).

42.3 (e) Except as permitted in paragraph (d), a charter school may not limit admission
42.4 to pupils on the basis of intellectual ability, measures of achievement or aptitude, or
42.5 athletic ability and may not establish any criteria or requirements for admission that are
42.6 inconsistent with this subdivision.

42.7 (f) The charter school shall not distribute any services or goods of value to students,
42.8 parents, or guardians as an inducement, term, or condition of enrolling a student in a
42.9 charter school.

101.19 Subd. 10. **Pupil performance.** A charter school must design its programs to at
 101.20 least meet the outcomes adopted by the commissioner for public school students. In
 101.21 the absence of the commissioner's requirements, the school must meet the outcomes
 101.22 contained in the contract with the authorizer. The achievement levels of the outcomes
 101.23 contained in the contract may exceed the achievement levels of any outcomes adopted by
 101.24 the commissioner for public school students.

101.25 Subd. 11. **Employment and other operating matters.** (a) A charter school must
 101.26 employ or contract with necessary teachers, as defined by section 122A.15, subdivision 1,
 101.27 who hold valid licenses to perform the particular service for which they are employed in
 101.28 the school. The charter school's state aid may be reduced under section 127A.43 if the
 101.29 school employs a teacher who is not appropriately licensed or approved by the board of
 101.30 teaching. The school may employ necessary employees who are not required to hold
 101.31 teaching licenses to perform duties other than teaching and may contract for other services.
 101.32 The school may discharge teachers and nonlicensed employees. The charter school board
 101.33 is subject to section 181.932. When offering employment to a prospective employee, a
 101.34 charter school must give that employee a written description of the terms and conditions
 101.35 of employment and the school's personnel policies.

102.1 (b) A person, without holding a valid administrator's license, may perform
 102.2 administrative, supervisory, or instructional leadership duties. The board of directors shall
 102.3 establish qualifications for persons that hold administrative, supervisory, or instructional
 102.4 leadership roles. The qualifications shall include at least the following areas: instruction
 102.5 and assessment; human resource and personnel management; financial management;
 102.6 legal and compliance management; effective communication; and board, authorizer, and
 102.7 community relationships. The board of directors shall use those qualifications as the basis
 102.8 for job descriptions, hiring, and performance evaluations of those who hold administrative,
 102.9 supervisory, or instructional leadership roles. The board of directors and an individual
 102.10 who does not hold a valid administrative license and who serves in an administrative,
 102.11 supervisory, or instructional leadership position shall develop a professional development
 102.12 plan. Documentation of the implementation of the professional development plan of these
 102.13 persons shall be included in the school's annual report.

102.14 (c) The board of directors also shall decide and be responsible for policy matters
 102.15 related to the operation of the school, including budgeting, curriculum programming,
 102.16 personnel, and operating procedures. The board shall adopt a policy on nepotism in
 102.17 employment. The board shall adopt personnel evaluation policies and practices that,
 102.18 at a minimum:

102.19 (1) carry out the school's mission and goals;

102.20 (2) evaluate the execution of charter contract goals and commitments;

102.21 (3) evaluate student achievement, postsecondary and workforce readiness, and

102.22 engagement goals; and

42.10 Subd. 10. **Pupil performance.** A charter school must design its programs to at
 42.11 least meet the outcomes adopted by the commissioner for public school students. In
 42.12 the absence of the commissioner's requirements, the school must meet the outcomes
 42.13 contained in the contract with the authorizer. The achievement levels of the outcomes
 42.14 contained in the contract may exceed the achievement levels of any outcomes adopted by
 42.15 the commissioner for public school students.

42.16 Subd. 11. **Employment and other operating matters.** (a) A charter school must
 42.17 employ or contract with necessary teachers, as defined by section 122A.15, subdivision 1,
 42.18 who hold valid licenses to perform the particular service for which they are employed in
 42.19 the school. The charter school's state aid may be reduced under section 127A.43 if the
 42.20 school employs a teacher who is not appropriately licensed or approved by the board of
 42.21 teaching. The school may employ necessary employees who are not required to hold
 42.22 teaching licenses to perform duties other than teaching and may contract for other services.
 42.23 The school may discharge teachers and nonlicensed employees. The charter school board
 42.24 is subject to section 181.932. When offering employment to a prospective employee, a
 42.25 charter school must give that employee a written description of the terms and conditions
 42.26 of employment and the school's personnel policies.

42.27 (b) A person, without holding a valid administrator's license, may perform
 42.28 administrative, supervisory, or instructional leadership duties. The board of directors shall
 42.29 establish qualifications for persons that hold administrative, supervisory, or instructional
 42.30 leadership roles. The qualifications shall include at least the following areas: instruction
 42.31 and assessment; human resource and personnel management; financial management;
 42.32 legal and compliance management; effective communication; and board, authorizer, and
 42.33 community relationships. The board of directors shall use those qualifications as the basis
 42.34 for job descriptions, hiring, and performance evaluations of those who hold administrative,
 42.35 supervisory, or instructional leadership roles. The board of directors and an individual
 42.36 who does not hold a valid administrative license and who serves in an administrative,
 43.1 supervisory, or instructional leadership position shall develop a professional development
 43.2 plan. Documentation of the implementation of the professional development plan of these
 43.3 persons shall be included in the school's annual report.

43.4 (c) The board of directors also shall decide and be responsible for matters related to
 43.5 the operation of the school, including budgeting, curriculum and operating procedures.

102.23 (4) provide professional development related to the individual's job responsibilities.

102.24 Subd. 12. **Pupils with a disability.** A charter school must comply with sections
102.25 125A.02, 125A.03 to 125A.24, and 125A.65 and rules relating to the education of pupils
102.26 with a disability as though it were a district.

102.27 Subd. 13. **Length of school year.** A charter school must provide instruction each
102.28 year for at least the number of hours required by section 120A.41. It may provide
102.29 instruction throughout the year according to sections 124D.12 to 124D.127 or 124D.128.

102.30 Subd. 14. **Annual public reports.** A charter school must publish an annual report
102.31 approved by the board of directors. The annual report must at least include information
102.32 on school enrollment, student attrition, governance and management, staffing, finances,
102.33 academic performance, ~~operational performance~~, innovative practices and implementation,
102.34 and future plans. A charter school must post the annual report on the school's official
102.35 Web site. A charter school must also distribute the annual report by publication, mail, or
102.36 electronic means to ~~the commissioner~~, its authorizer, school employees, and parents and
103.1 legal guardians of students enrolled in the charter school ~~and must also post the report on~~
103.2 ~~the charter school's official Web site.~~ The reports are public data under chapter 13.

43.6 Subd. 12. **Pupils with a disability.** A charter school must comply with sections
43.7 125A.02, 125A.03 to 125A.24, and 125A.65 and rules relating to the education of pupils
43.8 with a disability as though it were a district.

43.9 Subd. 13. **Length of school year.** A charter school must provide instruction each
43.10 year for at least the number of hours required by section 120A.41. It may provide
43.11 instruction throughout the year according to sections 124D.12 to 124D.127 or 124D.128.

43.12 Subd. 14. **Annual public reports.** A charter school must publish an annual report
43.13 approved by the board of directors. The annual report must at least include information
43.14 on school enrollment, student attrition, governance and management, staffing, finances,
43.15 academic performance, ~~operational performance~~, innovative practices and implementation,
43.16 and future plans. A charter school must post the annual report on the school's official Web
43.17 site. The charter school must also distribute the annual report by publication, mail, or
43.18 electronic means to ~~the commissioner~~, its authorizer, school employees, and parents and
43.19 legal guardians of students enrolled in the charter school ~~and must also post the report on~~
43.20 ~~the charter school's official Web site.~~ The reports are public data under chapter 13.

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78.7 Section 1. Minnesota Statutes 2012, section 124D.10, subdivision 14, is amended to
78.8 read:

78.9 Subd. 14. **Annual public reports.** (a) A charter school must publish an annual report
78.10 approved by the board of directors. The annual report must at least include information
78.11 on school enrollment, student attrition, governance and management, staffing, finances,
78.12 academic performance, operational performance, innovative practices and implementation,
78.13 and future plans. A charter school must distribute the annual report by publication, mail,
78.14 or electronic means to the commissioner, authorizer, school employees, and parents and
78.15 legal guardians of students enrolled in the charter school and must also post the report on
78.16 the charter school's official Web site. The reports are public data under chapter 13.

78.17 (b) An authorizer must annually compile the individual reports of all schools it
78.18 charts and that are published in accordance with paragraph (a), and submit a portfolio
78.19 report to the commissioner in the form and manner determined by the commissioner and
78.20 to the public. An authorizer's annual portfolio report must include:

78.21 (1) the academic and financial performance of all operating charter schools overseen
78.22 by the authorizer;

78.23 (2) the status of the authorizer's charter school portfolio, identifying all charter
78.24 schools in each of the following categories: approved, but not open; open and operating;
78.25 and closed, including the year closed and reason for closure;

103.3 Subd. 15. **Review and comment.** (a) The authorizer shall provide a formal written
 103.4 evaluation of the school's performance before the authorizer renews the charter contract.
 103.5 The department must review and comment on the authorizer's evaluation process at the
 103.6 time the authorizer submits its application for approval and each time the authorizer
 103.7 undergoes its five-year review under subdivision 3, paragraph (i).

103.8 (b) An authorizer shall monitor and evaluate the fiscal, operational, and student
 103.9 performance of the school, and may for this purpose annually assess a charter school
 103.10 a fee according to paragraph (c). The agreed-upon fee structure must be stated in the
 103.11 charter school contract.

103.12 (c) The fee that each charter school pays to an authorizer each year is the greater of:

103.13 (1) the basic formula allowance for that year; or

103.14 (2) the lesser of:

103.15 (i) the maximum fee factor times the basic formula allowance for that year; or

103.16 (ii) the fee factor times the basic formula allowance for that year times the charter
 103.17 school's adjusted marginal cost pupil units for that year. The fee factor equals .005 in fiscal
 103.18 year 2010, .01 in fiscal year 2011, .013 in fiscal year 2012, and .015 in fiscal years 2013
 103.19 and later. The maximum fee factor equals 1.5 in fiscal year 2010, 2.0 in fiscal year 2011,
 103.20 3.0 in fiscal year 2012, and 4.0 in fiscal years 2013 and later.

103.21 (d) An authorizer may not assess a fee for any required services other than as
 103.22 provided in this subdivision.

103.23 (e) For the preoperational planning period, after a school is chartered, the authorizer
 103.24 may assess a charter school a fee equal to the basic formula allowance.

103.25 (f) By September 30 of each year, an authorizer shall submit to the commissioner a
 103.26 statement of income and expenditures related to chartering activities during the previous
 103.27 school year ending June 30. A copy of the statement shall be given to all schools chartered
 103.28 by the authorizer.

78.26 (3) the authorizing function provided by the authorizer to the charter schools within
 78.27 its portfolio, including the authorizer's financial plan that is submitted to the commissioner
 78.28 under this section; and

78.29 (4) the process for overseeing and evaluating all charter schools it authorizes to
 78.30 ensure compliance with all statutory and contractual obligations to increase students'
 78.31 academic performance and achievement.

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43.21 Subd. 15. **Review and comment.** (a) The authorizer shall provide a formal written
 43.22 evaluation of the school's performance before the authorizer renews the charter contract.
 43.23 The department must review and comment on the authorizer's evaluation process at the
 43.24 time the authorizer submits its application for approval and each time the authorizer
 43.25 undergoes its five-year review under subdivision 3, paragraph (i).

43.26 (b) An authorizer shall monitor and evaluate the ~~fiscal~~, academic, financial, and
 43.27 operational, ~~and student~~ performance of the school, and may for this purpose annually
 43.28 assess a charter school a fee according to paragraph (c). The agreed-upon fee structure
 43.29 must be stated in the charter school contract.

43.30 (c) The fee that ~~each charter school pays to an authorizer each year~~ an authorizer
 43.31 may annually assess is the greater of:

43.32 (1) the basic formula allowance for that year; or

43.33 (2) the lesser of:

43.34 (i) the maximum fee factor times the basic formula allowance for that year; or

43.35 (ii) the fee factor times the basic formula allowance for that year times the charter
 43.36 school's adjusted ~~marginal cost~~ pupil units for that year. The fee factor equals .005 in fiscal
 44.1 year 2010, .01 in fiscal year 2011, .013 in fiscal year 2012, and .015 in fiscal years 2013
 44.2 and later. The maximum fee factor equals 1.5 in fiscal year 2010, 2.0 in fiscal year 2011,
 44.3 3.0 in fiscal year 2012, and 4.0 in fiscal years 2013 and later.

44.4 (d) An authorizer may not assess a fee for any required services other than as
 44.5 provided in this subdivision.

44.6 (e) For the preoperational planning period, after a school is chartered, the authorizer
 44.7 may assess a charter school a fee equal to the basic formula allowance.

44.8 (f) By September 30 of each year, an authorizer shall submit to the commissioner a
 44.9 statement of income and expenditures related to chartering activities during the previous
 44.10 school year ending June 30. A copy of the statement shall be given to all schools chartered
 44.11 by the authorizer.

103.29 Subd. 16. **Transportation.** (a) A charter school after its first fiscal year of operation
103.30 by March 1 of each fiscal year and a charter school by July 1 of its first fiscal year of
103.31 operation must notify the district in which the school is located and the Department of
103.32 Education if it will provide its own transportation or use the transportation services of the
103.33 district in which it is located for the fiscal year.

103.34 (b) If a charter school elects to provide transportation for pupils, the transportation
103.35 must be provided by the charter school within the district in which the charter school is
104.1 located. The state must pay transportation aid to the charter school according to section
104.2 124D.11, subdivision 2.

104.3 For pupils who reside outside the district in which the charter school is located, the
104.4 charter school is not required to provide or pay for transportation between the pupil's
104.5 residence and the border of the district in which the charter school is located. A parent
104.6 may be reimbursed by the charter school for costs of transportation from the pupil's
104.7 residence to the border of the district in which the charter school is located if the pupil is
104.8 from a family whose income is at or below the poverty level, as determined by the federal
104.9 government. The reimbursement may not exceed the pupil's actual cost of transportation
104.10 or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for
104.11 more than 250 miles per week.

104.12 At the time a pupil enrolls in a charter school, the charter school must provide the
104.13 parent or guardian with information regarding the transportation.

104.14 (c) If a charter school does not elect to provide transportation, transportation for
104.15 pupils enrolled at the school must be provided by the district in which the school is
104.16 located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a
104.17 pupil residing in the same district in which the charter school is located. Transportation
104.18 may be provided by the district in which the school is located, according to sections
104.19 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in a different
104.20 district. If the district provides the transportation, the scheduling of routes, manner and
104.21 method of transportation, control and discipline of the pupils, and any other matter relating
104.22 to the transportation of pupils under this paragraph shall be within the sole discretion,
104.23 control, and management of the district.

44.12 Subd. 16. **Transportation.** (a) A charter school after its first fiscal year of operation
44.13 by March 1 of each fiscal year and a charter school by July 1 of its first fiscal year of
44.14 operation must notify the district in which the school is located and the Department of
44.15 Education if it will provide its own transportation or use the transportation services of the
44.16 district in which it is located for the fiscal year.

44.17 (b) If a charter school elects to provide transportation for pupils, the transportation
44.18 must be provided by the charter school within the district in which the charter school is
44.19 located. The state must pay transportation aid to the charter school according to section
44.20 124D.11, subdivision 2.

44.21 For pupils who reside outside the district in which the charter school is located, the
44.22 charter school is not required to provide or pay for transportation between the pupil's
44.23 residence and the border of the district in which the charter school is located. A parent
44.24 may be reimbursed by the charter school for costs of transportation from the pupil's
44.25 residence to the border of the district in which the charter school is located if the pupil is
44.26 from a family whose income is at or below the poverty level, as determined by the federal
44.27 government. The reimbursement may not exceed the pupil's actual cost of transportation
44.28 or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for
44.29 more than 250 miles per week.

44.30 At the time a pupil enrolls in a charter school, the charter school must provide the
44.31 parent or guardian with information regarding the transportation.

44.32 (c) If a charter school does not elect to provide transportation, transportation for
44.33 pupils enrolled at the school must be provided by the district in which the school is
44.34 located, according to sections 123B.88, subdivision 6, and 124D.03, subdivision 8, for a
44.35 pupil residing in the same district in which the charter school is located. Transportation
44.36 may be provided by the district in which the school is located, according to sections
45.1 123B.88, subdivision 6, and 124D.03, subdivision 8, for a pupil residing in a different
45.2 district. If the district provides the transportation, the scheduling of routes, manner and
45.3 method of transportation, control and discipline of the pupils, and any other matter relating
45.4 to the transportation of pupils under this paragraph shall be within the sole discretion,
45.5 control, and management of the district.

104.24 Subd. 17. **Leased space.** A charter school may lease space from an independent
 104.25 or special school board ~~eligible to be an authorizer~~, other public organization, private,
 104.26 nonprofit nonsectarian organization, private property owner, or a sectarian organization
 104.27 if the leased space is constructed as a school facility. The department must review and
 104.28 approve or disapprove leases, including modifications and renewals prior to execution of
 104.29 the lease by the lessee and lessor, in a timely manner. Leases for a school year must be
 104.30 submitted to the department no later than July 1 before that school year. The commissioner
 104.31 may waive this date based on an appeal by a charter school when circumstances beyond
 104.32 the control of the charter school do not allow a lease agreement to be written prior to that
 104.33 date. The commissioner shall not approve a facility lease that does not have (1) a sum
 104.34 certain annual cost and (2) an escape clause that may be exercised by the charter school in
 104.35 the event of nonrenewal or termination of the charter school contract.

105.1 Subd. 17a. **Affiliated nonprofit building corporation.** (a) Before a charter school
 105.2 may organize an affiliated nonprofit building corporation (i) to renovate or purchase an
 105.3 existing facility to serve as a school or (ii) to expand an existing building or construct
 105.4 a new school facility, an authorizer must submit an affidavit to the commissioner for
 105.5 approval in the form and manner the commissioner prescribes, and consistent with
 105.6 paragraphs (b) and (c) or (d).

105.7 (b) An affiliated nonprofit building corporation under this subdivision must:

105.8 (1) be incorporated under section 317A;

105.9 (2) comply with applicable Internal Revenue Service regulations, including
 105.10 regulations for "supporting organizations" as defined by the Internal Revenue Service;

105.11 (3) submit to the commissioner each fiscal year a list of current board members
 105.12 and a copy of its annual audit; and

105.13 (4) comply with government data practices law under chapter 13.

105.14 An affiliated nonprofit building corporation must not serve as the leasing agent for
 105.15 property or facilities it does not own. A charter school that leases a facility from an
 105.16 affiliated nonprofit building corporation that does not own the leased facility is ineligible
 105.17 to receive charter school lease aid. The state is immune from liability resulting from a
 105.18 contract between a charter school and an affiliated nonprofit building corporation.

105.19 (c) A charter school may organize an affiliated nonprofit building corporation to
 105.20 renovate or purchase an existing facility to serve as a school if the charter school:

105.21 (1) has been operating for at least five consecutive school years;

105.22 (2) has had a net positive unreserved general fund balance as of June 30 in the
 105.23 preceding five fiscal years;

105.24 (3) has a long-range strategic and financial plan;

105.25 (4) completes a feasibility study of available buildings;

45.6 Subd. 17. **Leased space.** A charter school may lease space from an independent
 45.7 or special school board ~~eligible to be an authorizer~~, other public organization, private,
 45.8 nonprofit nonsectarian organization, private property owner, or a sectarian organization
 45.9 if the leased space is constructed as a school facility. The department must review and
 45.10 approve or disapprove leases, including modifications and renewals prior to execution of
 45.11 the lease by the lessee and lessor, in a timely manner. Leases for a school year must be
 45.12 submitted to the department no later than July 1 before that school year. The commissioner
 45.13 may waive this date based on an appeal by a charter school when circumstances beyond
 45.14 the control of the charter school do not allow a lease agreement to be written prior to that
 45.15 date. The commissioner shall not approve a facility lease that does not have (1) a sum
 45.16 certain annual cost and (2) an escape clause that may be exercised by the charter school in
 45.17 the event of nonrenewal or termination of the charter school contract.

45.18 Subd. 17a. **Affiliated nonprofit building corporation.** (a) Before a charter school
 45.19 may organize an affiliated nonprofit building corporation (i) to renovate or purchase an
 45.20 existing facility to serve as a school or (ii) to expand an existing building or construct
 45.21 a new school facility, an authorizer must submit an affidavit to the commissioner for
 45.22 approval in the form and manner the commissioner prescribes, and consistent with
 45.23 paragraphs (b) and (c) or (d).

45.24 (b) An affiliated nonprofit building corporation under this subdivision must:

45.25 (1) be incorporated under section 317A;

45.26 (2) comply with applicable Internal Revenue Service regulations, including
 45.27 regulations for "supporting organizations" as defined by the Internal Revenue Service;

45.28 (3) submit to the commissioner each fiscal year a list of current board members
 45.29 and a copy of its annual audit; and

45.30 (4) comply with government data practices law under chapter 13.

45.31 An affiliated nonprofit building corporation must not serve as the leasing agent for
 45.32 property or facilities it does not own. A charter school that leases a facility from an
 45.33 affiliated nonprofit building corporation that does not own the leased facility is ineligible
 45.34 to receive charter school lease aid. The state is immune from liability resulting from a
 45.35 contract between a charter school and an affiliated nonprofit building corporation.

46.1 (c) A charter school may organize an affiliated nonprofit building corporation to
 46.2 renovate or purchase an existing facility to serve as a school if the charter school:

46.3 (1) has been operating for at least five consecutive school years;

46.4 (2) has had a net positive unreserved general fund balance as of June 30 in the
 46.5 preceding five fiscal years;

46.6 (3) has a long-range strategic and financial plan;

46.7 (4) completes a feasibility study of available buildings;

105.26 (5) documents enrollment projections and the need to use an affiliated building
105.27 corporation to renovate or purchase an existing facility to serve as a school; and

105.28 (6) has a plan for the renovation or purchase, which describes the parameters and
105.29 budget for the project.

105.30 (d) A charter school may organize an affiliated nonprofit building corporation to
105.31 expand an existing school facility or construct a new school facility if the charter school:

105.32 (1) demonstrates the lack of facilities available to serve as a school;

105.33 (2) has been operating for at least eight consecutive school years;

105.34 (3) has had a net positive unreserved general fund balance as of June 30 in the
105.35 preceding five fiscal years;

105.36 (4) completes a feasibility study of facility options;

106.1 (5) has a long-range strategic and financial plan that includes enrollment projections
106.2 and demonstrates the need for constructing a new school facility; and

106.3 (6) has a plan for the expansion or new school facility, which describes the
106.4 parameters and budget for the project.

106.5 Subd. 17b. **Positive review and comment.** (e) A charter school or an affiliated
106.6 nonprofit building corporation organized by a charter school must not initiate an
106.7 installment contract for purchase, or a lease agreement, or solicit bids for new construction,
106.8 expansion, or remodeling of an educational facility that requires an expenditure in
106.9 excess of \$1,400,000, unless it meets the criteria in subdivision 17a, paragraph (b) and
106.10 paragraph (c) or (d), as applicable, and receives a positive review and comment from
106.11 the commissioner under section 123B.71.

106.12 Subd. 19. **Disseminate information.** (a) ~~The authorizer, the operators,~~ Authorizers
106.13 and the department must disseminate information to the public on how to form and
106.14 operate a charter school. Charter schools must disseminate information about how to
106.15 use the offerings of a charter school. Targeted groups include low-income families and
106.16 communities, students of color, and students who are at risk of academic failure.

106.17 (b) Authorizers, operators, and the department also may disseminate information
106.18 about the successful best practices in teaching and learning demonstrated by charter
106.19 schools.

46.8 (5) documents enrollment projections and the need to use an affiliated building
46.9 corporation to renovate or purchase an existing facility to serve as a school; and

46.10 (6) has a plan for the renovation or purchase, which describes the parameters and
46.11 budget for the project.

46.12 (d) A charter school may organize an affiliated nonprofit building corporation to
46.13 expand an existing school facility or construct a new school facility if the charter school:

46.14 (1) demonstrates the lack of facilities available to serve as a school;

46.15 (2) has been operating for at least eight consecutive school years;

46.16 (3) has had a net positive unreserved general fund balance as of June 30 in the
46.17 preceding five fiscal years;

46.18 (4) completes a feasibility study of facility options;

46.19 (5) has a long-range strategic and financial plan that includes enrollment projections
46.20 and demonstrates the need for constructing a new school facility; and

46.21 (6) has a plan for the expansion or new school facility, which describes the
46.22 parameters and budget for the project.

46.23 Subd. 17b. **Positive review and comment.** (e) A charter school or an affiliated
46.24 nonprofit building corporation organized by a charter school must not initiate an
46.25 installment contract for purchase, or a lease agreement, or solicit bids for new construction,
46.26 expansion, or remodeling of an educational facility that requires an expenditure in
46.27 excess of \$1,400,000, unless it meets the criteria in subdivision 17a, paragraph (b) and
46.28 paragraph (c) or (d), as applicable, and receives a positive review and comment from
46.29 the commissioner under section 123B.71.

46.30 Subd. 19. **Disseminate information.** (a) ~~The authorizer, the operators,~~ Authorizers
46.31 and the department must disseminate information to the public on how to form and
46.32 operate a charter school. Charter schools must disseminate information about how to
46.33 use the offerings of a charter school. Targeted groups include low-income families and
46.34 communities, students of color, and students who are at risk of academic failure.

47.1 (b) Authorizers, operators, and the department also may disseminate information
47.2 about the successful best practices in teaching and learning demonstrated by charter
47.3 schools.

106.20 Subd. 20. **Leave to teach in a charter school.** If a teacher employed by a district
 106.21 makes a written request for an extended leave of absence to teach at a charter school,
 106.22 the district must grant the leave. The district must grant a leave not to exceed a total of
 106.23 five years. Any request to extend the leave shall be granted only at the discretion of the
 106.24 school board. The district may require that the request for a leave or extension of leave
 106.25 be made before February 1 in the school year preceding the school year in which the
 106.26 teacher intends to leave, or February 1 of the calendar year in which the teacher's leave is
 106.27 scheduled to terminate. Except as otherwise provided in this subdivision and except for
 106.28 section 122A.46, subdivision 7, the leave is governed by section 122A.46, including, but
 106.29 not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

106.30 During a leave, the teacher may continue to aggregate benefits and credits in the
 106.31 Teachers' Retirement Association account under chapters 354 and 354A, consistent with
 106.32 subdivision 22.

106.33 Subd. 21. **Collective bargaining.** Employees of the board of directors of a charter
 106.34 school may, if otherwise eligible, organize under chapter 179A and comply with its
 106.35 provisions. The board of directors of a charter school is a public employer, for the
 106.36 purposes of chapter 179A, upon formation of one or more bargaining units at the school.
 107.1 Bargaining units at the school must be separate from any other units within an authorizing
 107.2 district, except that bargaining units may remain part of the appropriate unit within an
 107.3 authorizing district, if the employees of the school, the board of directors of the school,
 107.4 the exclusive representative of the appropriate unit in the authorizing district, and the
 107.5 board of the authorizing district agree to include the employees in the appropriate unit of
 107.6 the authorizing district.

107.7 Subd. 22. **Teacher and other employee retirement.** (a) Teachers in a charter
 107.8 school must be public school teachers for the purposes of chapters 354 and 354A.

107.9 (b) Except for teachers under paragraph (a), employees in a charter school must be
 107.10 public employees for the purposes of chapter 353.

47.4 Subd. 20. **Leave to teach in a charter school.** If a teacher employed by a district
 47.5 makes a written request for an extended leave of absence to teach at a charter school,
 47.6 the district must grant the leave. The district must grant a leave not to exceed a total of
 47.7 five years. Any request to extend the leave shall be granted only at the discretion of the
 47.8 school board. The district may require that the request for a leave or extension of leave
 47.9 be made before February 1 in the school year preceding the school year in which the
 47.10 teacher intends to leave, or February 1 of the calendar year in which the teacher's leave is
 47.11 scheduled to terminate. Except as otherwise provided in this subdivision and except for
 47.12 section 122A.46, subdivision 7, the leave is governed by section 122A.46, including, but
 47.13 not limited to, reinstatement, notice of intention to return, seniority, salary, and insurance.

47.14 During a leave, the teacher may continue to aggregate benefits and credits in the
 47.15 Teachers' Retirement Association account under chapters 354 and 354A, consistent with
 47.16 subdivision 22.

47.17 Subd. 21. **Collective bargaining.** Employees of the board of directors of a charter
 47.18 school may, if otherwise eligible, organize under chapter 179A and comply with its
 47.19 provisions. The board of directors of a charter school is a public employer, for the
 47.20 purposes of chapter 179A, upon formation of one or more bargaining units at the school.
 47.21 Bargaining units at the school must be separate from any other units within an authorizing
 47.22 district, except that bargaining units may remain part of the appropriate unit within an
 47.23 authorizing district, if the employees of the school, the board of directors of the school,
 47.24 the exclusive representative of the appropriate unit in the authorizing district, and the
 47.25 board of the authorizing district agree to include the employees in the appropriate unit of
 47.26 the authorizing district.

47.27 Subd. 22. **Teacher and other employee retirement.** (a) Teachers in a charter
 47.28 school must be public school teachers for the purposes of chapters 354 and 354A.

47.29 (b) Except for teachers under paragraph (a), employees in a charter school must be
 47.30 public employees for the purposes of chapter 353.

107.11 Subd. 23. **Causes for nonrenewal or termination of charter school contract.** (a)
 107.12 The duration of the contract with an authorizer must be for the term contained in the
 107.13 contract according to subdivision 6. The authorizer may or may not renew a contract at
 107.14 the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally
 107.15 terminate a contract during the term of the contract for any ground listed in paragraph (b).
 107.16 At least 60 business days before not renewing or terminating a contract, the authorizer
 107.17 shall notify the board of directors of the charter school of the proposed action in writing.
 107.18 The notice shall state the grounds for the proposed action in reasonable detail and that the
 107.19 charter school's board of directors may request in writing an informal hearing before the
 107.20 authorizer within 15 business days of receiving notice of nonrenewal or termination of
 107.21 the contract. Failure by the board of directors to make a written request for an informal
 107.22 hearing within the 15-business-day period shall be treated as acquiescence to the proposed
 107.23 action. Upon receiving a timely written request for a hearing, the authorizer shall give ten
 107.24 business days' notice to the charter school's board of directors of the hearing date. The
 107.25 authorizer shall conduct an informal hearing before taking final action. The authorizer
 107.26 shall take final action to renew or not renew a contract no later than 20 business days
 107.27 before the proposed date for terminating the contract or the end date of the contract.

107.28 (b) A contract may be terminated or not renewed upon any of the following grounds:

107.29 (1) failure to meet demonstrate satisfactory academic achievement for all groups of
 107.30 students, including the requirements for pupil performance contained in the contract;

107.31 (2) failure to meet generally accepted standards of fiscal management;

107.32 (3) violations of law; or

107.33 (4) other good cause shown.

107.34 If a contract is terminated or not renewed under this paragraph, the school must be
 107.35 dissolved according to the applicable provisions of chapter 317A.

108.1 ~~(c) If the authorizer and the charter school board of directors mutually agree to~~
 108.2 ~~terminate or not renew the contract, a change in authorizers is allowed if the commissioner~~
 108.3 ~~approves the change to a different eligible authorizer to authorize the charter school.~~
 108.4 ~~Both parties must jointly submit their intent in writing to the commissioner to mutually~~
 108.5 ~~terminate the contract. The authorizer that is a party to the existing contract must inform~~
 108.6 ~~the proposed authorizer about the fiscal and operational status and student performance~~
 108.7 ~~of the school. Before the commissioner determines whether to approve a change in~~
 108.8 ~~authorizer, the proposed authorizer must identify any outstanding issues in the proposed~~
 108.9 ~~charter contract that were unresolved in the previous charter contract and have the charter~~
 108.10 ~~school agree to resolve those issues. If no change in authorizer is approved, the school~~
 108.11 ~~must be dissolved according to applicable law and the terms of the contract.~~

47.31 Subd. 23. **Causes for nonrenewal or termination of charter school contract.** (a)
 47.32 The duration of the contract with an authorizer must be for the term contained in the
 47.33 contract according to subdivision 6. The authorizer may or may not renew a contract at
 47.34 the end of the term for any ground listed in paragraph (b). An authorizer may unilaterally
 47.35 terminate a contract during the term of the contract for any ground listed in paragraph (b).
 47.36 At least 60 business days before not renewing or terminating a contract, the authorizer
 48.1 shall notify the board of directors of the charter school of the proposed action in writing.
 48.2 The notice shall state the grounds for the proposed action in reasonable detail and that the
 48.3 charter school's board of directors may request in writing an informal hearing before the
 48.4 authorizer within 15 business days of receiving notice of nonrenewal or termination of
 48.5 the contract. Failure by the board of directors to make a written request for an informal
 48.6 hearing within the 15-business-day period shall be treated as acquiescence to the proposed
 48.7 action. Upon receiving a timely written request for a hearing, the authorizer shall give ten
 48.8 business days' notice to the charter school's board of directors of the hearing date. The
 48.9 authorizer shall conduct an informal hearing before taking final action. The authorizer
 48.10 shall take final action to renew or not renew a contract no later than 20 business days
 48.11 before the proposed date for terminating the contract or the end date of the contract.

48.12 (b) A contract may be terminated or not renewed upon any of the following grounds:

48.13 (1) failure to meet demonstrate satisfactory academic achievement for all groups of
 48.14 students, including the requirements for pupil performance contained in the contract;

48.15 (2) failure to meet generally accepted standards of fiscal management;

48.16 (3) violations of law; or

48.17 (4) other good cause shown.

48.18 If a contract is terminated or not renewed under this paragraph, the school must be
 48.19 dissolved according to the applicable provisions of chapter 317A.

48.20 (c) If the authorizer and the charter school board of directors mutually agree to
 48.21 terminate or not renew the contract, a change in authorizers is allowed if the commissioner
 48.22 approves the change to a different eligible authorizer to authorize the charter school.
 48.23 Both parties must jointly submit their intent in writing to the commissioner to mutually
 48.24 terminate the contract. The authorizer that is a party to the existing contract must inform
 48.25 the proposed authorizer about the fiscal and operational status and student performance
 48.26 of the school. Before the commissioner determines whether to approve a change in
 48.27 authorizer, the proposed authorizer must identify any outstanding issues in the proposed
 48.28 charter contract that were unresolved in the previous charter contract and have the charter
 48.29 school agree to resolve those issues. If no change in authorizer is approved, the school
 48.30 must be dissolved according to applicable law and the terms of the contract.

108.12 (c) If the authorizer and the charter school board of directors mutually agree not to
 108.13 renew the contract, a change in authorizers is allowed. The authorizer and the school
 108.14 board must jointly submit a written and signed letter of their intent to the commissioner
 108.15 to mutually not renew the contract. The authorizer that is a party to the existing contract
 108.16 must inform the proposed authorizer about the fiscal, operational, and student performance
 108.17 status of the school, as well as any outstanding contractual obligations that exist. The
 108.18 charter contract between the proposed authorizer and the school must identify and provide
 108.19 a plan to address any outstanding obligations from the previous contract. The proposed
 108.20 contract must be submitted at least 105 business days before the end of the existing
 108.21 charter contract. The commissioner shall have 30 business days to review and make a
 108.22 determination. The proposed authorizer and the school shall have 15 business days to
 108.23 respond to the determination and address any issues identified by the commissioner. A
 108.24 final determination by the commissioner shall be made no later than 45 business days
 108.25 before the end of the current charter contract. If no change in authorizer is approved, the
 108.26 school and the current authorizer may withdraw their letter of nonrenewal and enter into a
 108.27 new contract. If the transfer of authorizers is not approved and the current authorizer and
 108.28 the school do not withdraw their letter and enter into a new contract, the school must be
 108.29 dissolved according to applicable law and the terms of the contract.

108.30 (d) The commissioner, after providing reasonable notice to the board of directors of
 108.31 a charter school and the existing authorizer, and after providing an opportunity for a public
 108.32 hearing, may terminate the existing contract between the authorizer and the charter school
 108.33 board if the charter school has a history of:

108.34 (1) failure to meet pupil performance requirements consistent with state law;

108.35 (2) financial mismanagement or failure to meet generally accepted standards of
 108.36 fiscal management; or

109.1 (3) repeated or major violations of the law.

109.2 Subd. 23a. **Related party lease costs.** (a) A charter school is prohibited from
 109.3 entering a lease of real property with a related party unless the lessor is a nonprofit
 109.4 corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is
 109.5 reasonable under section 124D.11, subdivision 4, clause (1).

109.6 (b) For purposes of this section and section 124D.11:

109.7 (1) "related party" means an affiliate or immediate relative of the other party in
 109.8 question, an affiliate of an immediate relative, or an immediate relative of an affiliate;

109.9 (2) "affiliate" means a person that directly or indirectly, through one or more
 109.10 intermediaries, controls, is controlled by, or is under common control with another person;

109.11 (3) "immediate family" means an individual whose relationship by blood, marriage,
 109.12 adoption, or partnering is no more remote than first cousin;

109.13 (4) "person" means an individual or entity of any kind; and

49.4 (e) Notwithstanding other provisions of this subdivision, the authorizer of a charter
 49.5 school may terminate an existing contract between the authorizer and the charter school at
 49.6 the end of the current school year, after notifying the charter school board of directors by
 49.7 December 1, if in each of the previous three consecutive school years the performance of
 49.8 the charter school based on federal school accountability measures and on state measures
 49.9 of student performance and growth would place the school in the bottom quartile of all
 49.10 public schools as determined by the commissioner. If an authorizer chooses to terminate
 49.11 the contract, the school must be closed according to applicable law and the terms of
 49.12 the contract. The authorizer must work with the charter school's board of directors to
 49.13 ensure parents of children currently enrolled at the school are aware of school choice
 49.14 options and receive assistance in selecting an appropriate choice for the next school year.
 49.15 If the authorizer chooses not to terminate the existing contract under these conditions, the
 49.16 authorizer must submit a public, written justification of the decision to the commissioner
 49.17 by December 1. The commissioner may use this decision as a factor in reviewing the
 49.18 authorizer's performance under subdivision 3, paragraph (i). The federal and state measures
 49.19 identified in this paragraph are minimum conditions and are not intended to discourage
 49.20 and do not prevent an authorizer from closing schools which do not meet these conditions.

48.31 (d) The commissioner, after providing reasonable notice to the board of directors of
 48.32 a charter school and the existing authorizer, and after providing an opportunity for a public
 48.33 hearing, may terminate the existing contract between the authorizer and the charter school
 48.34 board if the charter school has a history of:

48.35 (1) failure to meet pupil performance requirements consistent with state law;

49.1 (2) financial mismanagement or failure to meet generally accepted standards of
 49.2 fiscal management; or

49.3 (3) repeated or major violations of the law.

49.21 Subd. 23a. **Related party lease costs.** (a) A charter school is prohibited from
 49.22 entering a lease of real property with a related party unless the lessor is a nonprofit
 49.23 corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is
 49.24 reasonable under section 124D.11, subdivision 4, clause (1).

49.25 (b) For purposes of this section and section 124D.11:

49.26 (1) "related party" means an affiliate or immediate relative of the other party in
 49.27 question, an affiliate of an immediate relative, or an immediate relative of an affiliate;

49.28 (2) "affiliate" means a person that directly or indirectly, through one or more
 49.29 intermediaries, controls, is controlled by, or is under common control with another person;

49.30 (3) "immediate family" means an individual whose relationship by blood, marriage,
 49.31 adoption, or partnering is no more remote than first cousin;

49.32 (4) "person" means an individual or entity of any kind; and

109.14 (5) "control" means the ability to affect the management, operations, or policy
 109.15 actions or decisions of a person, whether through ownership of voting securities, by
 109.16 contract, or otherwise.

109.17 (c) A lease of real property to be used for a charter school, not excluded in paragraph
 109.18 (a), must contain the following statement: "This lease is subject to Minnesota Statutes,
 109.19 section 124D.10, subdivision 23a."

109.20 (d) If a charter school enters into as lessee a lease with a related party and the
 109.21 charter school subsequently closes, the commissioner has the right to recover from the
 109.22 lessor any lease payments in excess of those that are reasonable under section 124D.11,
 109.23 subdivision 4, clause (1).

49.33 (5) "control" means the ability to affect the management, operations, or policy
 49.34 actions or decisions of a person, whether through ownership of voting securities, by
 49.35 contract, or otherwise.

50.1 (c) A lease of real property to be used for a charter school, not excluded in paragraph
 50.2 (a), must contain the following statement: "This lease is subject to Minnesota Statutes,
 50.3 section 124D.10, subdivision 23a."

50.4 (d) If a charter school enters into as lessee a lease with a related party and the
 50.5 charter school subsequently closes, the commissioner has the right to recover from the
 50.6 lessor any lease payments in excess of those that are reasonable under section 124D.11,
 50.7 subdivision 4, clause (1).

UEH0630-1

78.32 Sec. 2. Minnesota Statutes 2012, section 124D.10, subdivision 23a, is amended to read:

79.1 Subd. 23a. **Related party lease costs.** (a) A charter school is prohibited from
 79.2 entering a lease of real property with a related party unless the lessor is a school district, a
 79.3 nonprofit corporation under chapter 317A or a cooperative under chapter 308A, and the
 79.4 lease cost is reasonable under section 124D.11, subdivision 4, clause (1).

79.5 (b) For purposes of this section and section 124D.11:

79.6 (1) "related party" means an affiliate or immediate relative of the other party in
 79.7 question, an affiliate of an immediate relative, or an immediate relative of an affiliate;

79.8 (2) "affiliate" means a person that directly or indirectly, through one or more
 79.9 intermediaries, controls, is controlled by, or is under common control with another person;

79.10 (3) "immediate family" means an individual whose relationship by blood, marriage,
 79.11 adoption, or partnering is no more remote than first cousin;

79.12 (4) "person" means an individual or entity of any kind; and

79.13 (5) "control" means the ability to affect the management, operations, or policy
 79.14 actions or decisions of a person, whether through ownership of voting securities, by
 79.15 contract, or otherwise.

79.16 (c) A lease of real property to be used for a charter school, not excluded in paragraph
 79.17 (a), must contain the following statement: "This lease is subject to Minnesota Statutes,
 79.18 section 124D.10, subdivision 23a."

79.19 (d) If a charter school enters into as lessee a lease with a related party and the
 79.20 charter school subsequently closes, the commissioner has the right to recover from the
 79.21 lessor any lease payments in excess of those that are reasonable under section 124D.11,
 79.22 subdivision 4, clause (1).

79.23 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2013
79.24 and later.

S0978-3

109.24 Subd. 24. **Pupil enrollment upon nonrenewal or termination of charter school**
109.25 **contract.** If a contract is not renewed or is terminated according to subdivision 23, a
109.26 pupil who attended the school, siblings of the pupil, or another pupil who resides in the
109.27 same place as the pupil may enroll in the resident district or may submit an application
109.28 to a nonresident district according to section 124D.03 at any time. Applications and
109.29 notices required by section 124D.03 must be processed and provided in a prompt manner.
109.30 The application and notice deadlines in section 124D.03 do not apply under these
109.31 circumstances. The closed charter school must transfer the student's educational records
109.32 within ten business days of closure to the student's school district of residence where the
109.33 records must be retained or transferred under section 120A.22, subdivision 7.

109.34 Subd. 25. **Extent of specific legal authority.** (a) The board of directors of a charter
109.35 school may sue and be sued.

109.36 (b) The board may not levy taxes or issue bonds.

110.1 (c) The commissioner, an authorizer, members of the board of an authorizer in
110.2 their official capacity, and employees of an authorizer are immune from civil or criminal
110.3 liability with respect to all activities related to a charter school they approve or authorize.
110.4 The board of directors shall obtain at least the amount of and types of insurance up to the
110.5 applicable tort liability limits under chapter 466. The charter school board must submit
110.6 a copy of the insurance policy to its authorizer ~~and the commissioner~~ before starting
110.7 operations. The charter school board must submit changes in its insurance carrier or policy
110.8 to its authorizer ~~and the commissioner~~ within 20 business days of the change.

110.9 (d) Notwithstanding section 3.736, the charter school shall assume full liability for
110.10 its activities and indemnify and hold harmless the authorizer and its officers, agents, and
110.11 employees from any suit, claim, or liability arising from any operation of the charter school
110.12 and the commissioner and department officers, agents, and employees. A charter school
110.13 is not required to indemnify or hold harmless a state employee if the state would not be
110.14 required to indemnify and hold the employee harmless under section 3.736, subdivision 9.

50.8 Subd. 24. **Pupil enrollment upon nonrenewal or termination of charter school**
50.9 **contract.** If a contract is not renewed or is terminated according to subdivision 23, a
50.10 pupil who attended the school, siblings of the pupil, or another pupil who resides in the
50.11 same place as the pupil may enroll in the resident district or may submit an application
50.12 to a nonresident district according to section 124D.03 at any time. Applications and
50.13 notices required by section 124D.03 must be processed and provided in a prompt manner.
50.14 The application and notice deadlines in section 124D.03 do not apply under these
50.15 circumstances. The closed charter school must transfer the student's educational records
50.16 within ten business days of closure to the student's school district of residence where the
50.17 records must be retained or transferred under section 120A.22, subdivision 7.

50.18 Subd. 25. **Extent of specific legal authority.** (a) The board of directors of a charter
50.19 school may sue and be sued.

50.20 (b) The board may not levy taxes or issue bonds.

50.21 (c) The commissioner, an authorizer, members of the board of an authorizer in
50.22 their official capacity, and employees of an authorizer are immune from civil or criminal
50.23 liability with respect to all activities related to a charter school they approve or authorize.
50.24 The board of directors shall obtain at least the amount of and types of insurance up to the
50.25 applicable tort liability limits under chapter 466. The charter school board must submit
50.26 a copy of the insurance policy to its authorizer ~~and the commissioner~~ before starting
50.27 operations. The charter school board must submit changes in its insurance carrier or policy
50.28 to its authorizer ~~and the commissioner~~ within 20 business days of the change.

50.29 (d) Notwithstanding section 3.736, the charter school shall assume full liability for
50.30 its activities and indemnify and hold harmless the authorizer and its officers, agents, and
50.31 employees from any suit, claim, or liability arising from any operation of the charter school
50.32 and the commissioner and department officers, agents, and employees. A charter school
50.33 is not required to indemnify or hold harmless a state employee if the state would not be
50.34 required to indemnify and hold the employee harmless under section 3.736, subdivision 9.

110.15 (e) The board may borrow money in the following manner and subject to the
 110.16 following limitations in anticipation of receipt of state aids for schools as defined in
 110.17 Minnesota Statutes or federal school aid distributed by or through the Department of
 110.18 Education. The aggregate borrowing under this paragraph shall not exceed the greater
 110.19 of (1) 50 percent or (2) the difference between 100 percent and the current year aid
 110.20 payment under section 127A.45, subdivision 2, paragraph (d), of the aids, fees, and
 110.21 tuition payments receivable by the charter school in the fiscal year in which the money is
 110.22 borrowed as estimated and certified by the commissioner. If the charter school proposes
 110.23 to sell all or a portion of the estimated and certified aid, it must give public notice of the
 110.24 proposed sale on its official Web site for at least 15 business days before the proposed sale.
 110.25 At the time the board intends to sell all or a portion of the anticipated aid, the anticipated
 110.26 aid must be sold to the buyer who will agree to purchase the aid on the terms deemed
 110.27 most favorable to the charter school. The terms of any sale of anticipated aid are public
 110.28 data under chapter 13. The money received from the sale of the anticipated aid must be
 110.29 disbursed solely for the purpose that the aid is intended.

110.30 Subd. 27. **Collaboration between charter school and school district.** (a) A charter
 110.31 school board may voluntarily enter into a two-year, renewable agreement for collaboration
 110.32 to enhance student achievement with a school district within whose geographic boundary
 110.33 it operates.

110.34 (b) A school district need not be an approved authorizer to enter into a collaboration
 110.35 agreement with a charter school. A charter school need not be authorized by the school
 110.36 district with which it seeks to collaborate.

111.1 (c) A charter school authorizer is prohibited from requiring a collaboration agreement
 111.2 as a condition of entering into or renewing a charter contract as defined in subdivision 6.

111.3 (d) Nothing in this subdivision or in the collaboration agreement may impact in any
 111.4 way the authority or autonomy of the charter school.

111.5 (e) Nothing in this subdivision or in the collaboration agreement shall cause the state
 111.6 to pay twice for the same student, service, or facility or otherwise impact state funding, or
 111.7 the flow thereof, to the school district or the charter school.

111.8 (f) The collaboration agreement may include, but need not be limited to,
 111.9 collaboration regarding facilities, transportation, training, student achievement,
 111.10 assessments, mutual performance standards, and other areas of mutual agreement.

111.11 (g) The school district may include the academic performance of the students of a
 111.12 collaborative charter school site operating within the geographic boundaries of the school
 111.13 district, for purposes of student assessment and reporting to the state.

50.35 Subd. 27. **Collaboration between charter school and school district.** (a) A charter
 50.36 school board may voluntarily enter into a two-year, renewable agreement for collaboration
 51.1 to enhance student achievement with a school district within whose geographic boundary
 51.2 it operates.

51.3 (b) A school district need not be an approved authorizer to enter into a collaboration
 51.4 agreement with a charter school. A charter school need not be authorized by the school
 51.5 district with which it seeks to collaborate.

51.6 (c) A charter school authorizer is prohibited from requiring a collaboration agreement
 51.7 as a condition of entering into or renewing a charter contract as defined in subdivision 6.

51.8 (d) Nothing in this subdivision or in the collaboration agreement may impact in any
 51.9 way the authority or autonomy of the charter school.

51.10 (e) Nothing in this subdivision or in the collaboration agreement shall cause the state
 51.11 to pay twice for the same student, service, or facility or otherwise impact state funding, or
 51.12 the flow thereof, to the school district or the charter school.

51.13 (f) The collaboration agreement may include, but need not be limited to,
 51.14 collaboration regarding facilities, transportation, training, student achievement,
 51.15 assessments, mutual performance standards, and other areas of mutual agreement.

51.16 (g) The school district may include the academic performance of the students of a
 51.17 collaborative charter school site operating within the geographic boundaries of the school
 51.18 district, for purposes of student assessment and reporting to the state.

111.14 (h) Districts, authorizers, or charter schools entering into a collaborative agreement
 111.15 are equally and collectively subject to the same state and federal accountability measures
 111.16 for student achievement, school performance outcomes, and school improvement
 111.17 strategies. The collaborative agreement and all accountability measures must be posted
 111.18 on the district, charter school, and authorizer Web sites.

111.19 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 111.20 except subdivision 23 is effective July 1, 2013.

51.19 (h) Districts, authorizers, or charter schools entering into a collaborative agreement
 51.20 are equally and collectively subject to the same state and federal accountability measures
 51.21 for student achievement, school performance outcomes, and school improvement
 51.22 strategies. The collaborative agreement and all accountability measures must be posted
 51.23 on the district, charter school, and authorizer Web sites.

51.24 **EFFECTIVE DATE.** Subdivision 23 is effective July 1, 2013, and applies to federal
 51.25 school accountability measures and state measures of student performance and growth
 51.26 from the 2010-2011 school year and later.

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79.25 Sec. 3. Minnesota Statutes 2012, section 124D.11, subdivision 1, is amended to read:

79.26 Subdivision 1. **General education revenue.** (a) General education revenue must
 79.27 be paid to a charter school as though it were a district. The general education revenue
 79.28 for each adjusted ~~marginal-cost~~ pupil unit is the state average general education revenue
 79.29 per pupil unit, plus the referendum equalization aid allowance in the pupil's district of
 79.30 residence, minus an amount equal to the product of the formula allowance according to
 79.31 section 126C.10, subdivision 2, times ~~.0485~~ .0465, calculated without basic skills revenue,
 79.32 extended time revenue, ~~alternative teacher compensation revenue, equity revenue, teacher~~
 79.33 ~~development and evaluation revenue, pension adjustment revenue, transition revenue, and~~
 79.34 ~~transportation sparsity revenue, plus basic skills revenue, extended time revenue, basic~~
 79.35 ~~alternative teacher compensation aid according to section 126C.10, subdivision 34, equity~~
 80.1 ~~revenue, pension adjustment revenue, and transition revenue as though the school were a~~
 80.2 ~~school district. The general education revenue for each extended time marginal-cost~~
 80.3 ~~pupil unit equals \$4,378~~ \$4,722.

80.4 ~~(b) Notwithstanding paragraph (a), for charter schools in the first year of operation,~~
 80.5 ~~general education revenue shall be computed using the number of adjusted pupil units~~
 80.6 ~~in the current fiscal year.~~

80.7 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
 80.8 and later.

80.9 Sec. 4. Minnesota Statutes 2012, section 124D.11, subdivision 2, is amended to read:

80.10 Subd. 2. **Transportation revenue.** Transportation revenue must be paid to a charter
 80.11 school that provides transportation services according to section 124D.10, subdivision 16,
 80.12 according to this subdivision. Transportation aid shall equal transportation revenue.

80.13 In addition to the revenue under subdivision 1, a charter school providing
80.14 transportation services must receive general education aid equal to the sum of the product
80.15 of (i) an amount equal to the product of the formula allowance according to section
80.16 126C.10, subdivision 2, times ~~.0485~~ .0465, plus the transportation sparsity allowance for
80.17 the school district in which the charter school is located times (ii) the adjusted ~~marginal~~
80.18 ~~cost~~ pupil units, plus the product of \$223 times the extended time ~~marginal-cost~~ pupil units.

80.19 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2015
80.20 and later.

80.21 Sec. 5. Minnesota Statutes 2012, section 124D.11, subdivision 4, is amended to read:

80.22 Subd. 4. **Building lease aid.** (a) When a charter school finds it economically
80.23 advantageous to rent or lease a building or land for any instructional purposes and it
80.24 determines that the total operating capital revenue under section 126C.10, subdivision
80.25 13, is insufficient for this purpose, it may apply to the commissioner for building lease
80.26 aid for this purpose. The commissioner must review the lease as provided in section
80.27 124D.10, subdivision 17, and either approve or deny a lease aid application using the
80.28 following criteria:

80.29 (1) the reasonableness of the price based on current market values;

80.30 (2) the extent to which the lease conforms to applicable state laws and rules; and

80.31 (3) the appropriateness of the proposed lease in the context of the space needs and
80.32 financial circumstances of the charter school.

81.1 A charter school must not use the building lease aid it receives for custodial, maintenance
81.2 service, utility, or other operating costs.

81.3 (b) The amount of annual building lease aid ~~per pupil unit served~~ for a charter school
81.4 ~~for any year~~ leasing a building from any private, nonprofit, nonsectarian organization; any
81.5 private property owner or any sectarian organization; or an affiliated building corporation,
81.6 school district, or other governmental entity on which debt or capital lease obligations
81.7 remain based on original issuance for building purchase, construction, or renovation shall
81.8 not exceed the lesser of (a) (1) 90 percent of the approved cost or (b) (2) the product of the
81.9 pupil units served for the current school year times \$1,200 \$1,314.

81.10 (c) The annual building lease contract amount for a charter school leasing from a
 81.11 related nonprofit organization, a parent company, an affiliated building corporation, a
 81.12 school district, a charter school, or other governmental entity on which the original debt
 81.13 or capital lease obligations related to the original building purchase, construction, or
 81.14 renovation have been retired shall be no greater than the lesser of (1) \$3 per square foot;
 81.15 or (2) the product of pupil units served for the current school year times \$200. Lease
 81.16 aid is calculated as 90 percent of the lesser of (i) \$3 per square foot, or (ii) the product
 81.17 of pupil units served times \$200.

81.18 (d) The annual lease contract and lease aid for a site with ownership as provided in
 81.19 paragraph (c) occupied by a charter school, where the building is expanded, improved, or
 81.20 sold, may be subject to the provisions of paragraph (c).

81.21 **EFFECTIVE DATE.** This section is effective July 1, 2014.

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111.21 Sec. 2. Minnesota Statutes 2012, section 260A.02, subdivision 3, is amended to read:

111.22 Subd. 3. **Continuing truant.** "Continuing truant" means a child who is subject to the
 111.23 compulsory instruction requirements of section 120A.22 and is absent from instruction in a
 111.24 school, as defined in section 120A.05, without valid excuse within a single school year for:

111.25 (1) three days if the child is in elementary school; or

111.26 (2) three or more class periods on three days if the child is in middle school, junior
 111.27 high school, or high school.

111.28 Nothing in this section shall prevent a school district or charter school from notifying
 111.29 a truant child's parent or legal guardian of the child's truancy or otherwise addressing a
 111.30 child's attendance problems prior to the child becoming a continuing truant.

111.31 Sec. 3. Minnesota Statutes 2012, section 260A.03, is amended to read:

111.32 **260A.03 NOTICE TO PARENT OR GUARDIAN WHEN CHILD IS A**
 111.33 **CONTINUING TRUANT.**

112.1 Upon a child's initial classification as a continuing truant, the school attendance
 112.2 officer or other designated school official shall notify the child's parent or legal guardian,
 112.3 by first-class mail or other reasonable means, of the following:

112.4 (1) that the child is truant;

112.5 (2) that the parent or guardian should notify the school if there is a valid excuse
 112.6 for the child's absences;

51.27 Sec. 2. Minnesota Statutes 2012, section 260A.02, subdivision 3, is amended to read:

51.28 Subd. 3. **Continuing truant.** "Continuing truant" means a child who is subject to the
 51.29 compulsory instruction requirements of section 120A.22 and is absent from instruction in a
 51.30 school, as defined in section 120A.05, without valid excuse within a single school year for:

51.31 (1) three days if the child is in elementary school; or

51.32 (2) three or more class periods on three days if the child is in middle school, junior
 51.33 high school, or high school.

52.1 Nothing in this section shall prevent a school district or charter school from notifying
 52.2 a truant child's parent or legal guardian of the child's truancy or otherwise addressing a
 52.3 child's attendance problems prior to the child becoming a continuing truant.

52.4 Sec. 3. Minnesota Statutes 2012, section 260A.03, is amended to read:

52.5 **260A.03 NOTICE TO PARENT OR GUARDIAN WHEN CHILD IS A**
 52.6 **CONTINUING TRUANT.**

52.7 Upon a child's initial classification as a continuing truant, the school attendance
 52.8 officer or other designated school official shall notify the child's parent or legal guardian,
 52.9 by first-class mail or other reasonable means, of the following:

52.10 (1) that the child is truant;

52.11 (2) that the parent or guardian should notify the school if there is a valid excuse
 52.12 for the child's absences;

112.7 (3) that the parent or guardian is obligated to compel the attendance of the child
 112.8 at school pursuant to section 120A.22 and parents or guardians who fail to meet this
 112.9 obligation may be subject to prosecution under section 120A.34;

112.10 (4) that this notification serves as the notification required by section 120A.34;

112.11 (5) that alternative educational programs and services may be available in the child's
 112.12 enrolling or resident district;

112.13 (6) that the parent or guardian has the right to meet with appropriate school personnel
 112.14 to discuss solutions to the child's truancy;

112.15 (7) that if the child continues to be truant, the parent and child may be subject to
 112.16 juvenile court proceedings under chapter 260C;

112.17 (8) that if the child is subject to juvenile court proceedings, the child may be subject
 112.18 to suspension, restriction, or delay of the child's driving privilege pursuant to section
 112.19 260C.201; and

112.20 (9) that it is recommended that the parent or guardian accompany the child to school
 112.21 and attend classes with the child for one day.

112.22 Sec. 4. Minnesota Statutes 2012, section 260A.05, subdivision 1, is amended to read:

112.23 Subdivision 1. **Establishment.** A school district or charter school may establish
 112.24 one or more school attendance review boards to exercise the powers and duties in this
 112.25 section. The school district or charter school board shall appoint the members of the
 112.26 school attendance review board and designate the schools within the board's jurisdiction.
 112.27 Members of a school attendance review board may include:

112.28 (1) the superintendent of the school district or the superintendent's designee or
 112.29 charter school director or the director's designee;

112.30 (2) a principal and one or more other school officials from within the district or
 112.31 charter school;

112.32 (3) parent representatives;

112.33 (4) representatives from community agencies that provide services for truant
 112.34 students and their families;

112.35 (5) a juvenile probation officer;

113.1 (6) school counselors and attendance officers; and

113.2 (7) law enforcement officers.

113.3 Sec. 5. Minnesota Statutes 2012, section 260A.07, subdivision 1, is amended to read:

52.13 (3) that the parent or guardian is obligated to compel the attendance of the child
 52.14 at school pursuant to section 120A.22 and parents or guardians who fail to meet this
 52.15 obligation may be subject to prosecution under section 120A.34;

52.16 (4) that this notification serves as the notification required by section 120A.34;

52.17 (5) that alternative educational programs and services may be available in the child's
 52.18 enrolling or resident district;

52.19 (6) that the parent or guardian has the right to meet with appropriate school personnel
 52.20 to discuss solutions to the child's truancy;

52.21 (7) that if the child continues to be truant, the parent and child may be subject to
 52.22 juvenile court proceedings under chapter 260C;

52.23 (8) that if the child is subject to juvenile court proceedings, the child may be subject
 52.24 to suspension, restriction, or delay of the child's driving privilege pursuant to section
 52.25 260C.201; and

52.26 (9) that it is recommended that the parent or guardian accompany the child to school
 52.27 and attend classes with the child for one day.

52.28 Sec. 4. Minnesota Statutes 2012, section 260A.05, subdivision 1, is amended to read:

52.29 Subdivision 1. **Establishment.** A school district or charter school may establish
 52.30 one or more school attendance review boards to exercise the powers and duties in this
 52.31 section. The school district or charter school board shall appoint the members of the
 52.32 school attendance review board and designate the schools within the board's jurisdiction.
 52.33 Members of a school attendance review board may include:

53.1 (1) the superintendent of the school district or the superintendent's designee or
 53.2 charter director or the director's designee;

53.3 (2) a principal and one or more other school officials from within the district or
 53.4 charter school;

53.5 (3) parent representatives;

53.6 (4) representatives from community agencies that provide services for truant
 53.7 students and their families;

53.8 (5) a juvenile probation officer;

53.9 (6) school counselors and attendance officers; and

53.10 (7) law enforcement officers.

53.11 Sec. 5. Minnesota Statutes 2012, section 260A.07, subdivision 1, is amended to read:

113.4 Subdivision 1. **Establishment; referrals.** A county attorney may establish a truancy
113.5 mediation program for the purpose of resolving truancy problems without court action. If
113.6 a student is in a school district or charter school that has established a school attendance
113.7 review board, the student may be referred to the county attorney under section 260A.06,
113.8 subdivision 3. If the student's school district or charter school has not established a board,
113.9 the student may be referred to the county attorney by the school district or charter school
113.10 if the student continues to be truant after the parent or guardian has been sent or conveyed
113.11 the notice under section 260A.03.

113.12 Sec. 6. **APPROPRIATIONS.**

113.13 Subdivision 1. **Department.** The sums indicated in this section are appropriated
113.14 from the general fund to the Department of Education for the fiscal years designated.

113.15 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
113.16 Statutes, section 124D.11, subdivision 4:

| | | | | |
|--------|----|-------------------|--------------|-------------|
| 113.17 | \$ | <u>54,484,000</u> | <u>.....</u> | <u>2014</u> |
| 113.18 | \$ | <u>59,533,000</u> | <u>.....</u> | <u>2015</u> |

113.19 The 2014 appropriation includes \$6,819,000 for 2013 and \$47,665,000 for 2014.

113.20 The 2015 appropriation includes \$7,502,000 for 2014 and \$52,031,000 for 2015.

113.21 Sec. 7. **REVISOR'S INSTRUCTION; CHARTER SCHOOLS**
113.22 **RECODIFICATION.**

113.23 The revisor of statutes, in consultation with K-12 education staff in House Research
113.24 and Senate Counsel and Research, shall prepare a recodification of Minnesota Statutes,
113.25 sections 124D.10 and 124D.11, including corresponding technical corrections and other
113.26 needed technical changes and shall submit the completed recodification to the chairs and
113.27 ranking minority members of the legislative committees having jurisdiction over K-12
113.28 education policy and finance.

53.12 Subdivision 1. **Establishment; referrals.** A county attorney may establish a truancy
53.13 mediation program for the purpose of resolving truancy problems without court action. If
53.14 a student is in a school district or charter school that has established a school attendance
53.15 review board, the student may be referred to the county attorney under section 260A.06,
53.16 subdivision 3. If the student's school district or charter school has not established a board,
53.17 the student may be referred to the county attorney by the school district or charter school
53.18 if the student continues to be truant after the parent or guardian has been sent or conveyed
53.19 the notice under section 260A.03.

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81.22 Sec. 6. **APPROPRIATIONS.**

81.23 Subdivision 1. **Department of Education.** The sums indicated in this section are
81.24 appropriated from the general fund to the Department of Education for the fiscal years
81.25 designated.

81.26 Subd. 2. **Charter school building lease aid.** For building lease aid under Minnesota
81.27 Statutes, section 124D.11, subdivision 4:

| | | | | |
|-------|----|-------------------|--------------|-------------|
| 81.28 | \$ | <u>54,384,000</u> | <u>.....</u> | <u>2014</u> |
| 81.29 | \$ | <u>58,020,000</u> | <u>.....</u> | <u>2015</u> |

81.30 The 2014 appropriation includes \$6,819,000 for 2013 and \$47,565,000 for 2014.

81.31 The 2015 appropriation includes \$8,066,000 for 2014 and \$49,954,000 for 2015.